

**Registered number: 7242**

**Southill Community Energy Limited**

**Financial Statements**

**and**

**Group Financial Statements**

**for the year ended 30 September 2022**

# **Southill Community Energy Limited**

## **Legal and administrative details as at 30 September 2022**

### **Status**

A society registered with the Financial Conduct Authority under the Co-operative and Community Benefit Society Act 2014 on 16th November 2015.

Registered number: 7242

### **Registered Office**

The Pump House  
Coton Hill  
Shrewsbury  
SY1 2DP

### **Trading Address**

Southill Solar Limited  
Fawler Road  
Charlbury  
Chipping Norton  
OX7 3EW

### **Directors**

Timothy Crisp  
Elizabeth Reason  
Thomas Johnstone  
Richard Slark  
Christopher Barras

### **Secretary**

Jon Halle

### **Auditors**

Third Sector Accountancy Limited  
Holyoake House  
Hanover Street  
Manchester  
M60 0AS

### **Bankers**

Triodos Bank  
Deanery Road  
Bristol  
BS1 5AS

**Southill Community Energy Limited**  
**Report of the directors**  
**for the year ended 30 September 2022**

The directors present their report and the accounts for the year ended 30 September 2022.

**Principal activities**

The Society's principal activity during the year was developing and operating a solar array via its wholly owned subsidiary, Southill Solar Limited.

**Statement of responsibilities of the society's directors**

The Co-operative and Community Benefit Societies Act 2014 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 those financial statements, 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 are responsible for safeguarding the assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- There is no relevant audit information of which the society's auditors are unaware
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the board of directors and signed on its behalf.

.....  
Jon Halle  
(Secretary)

**Southill Community Energy Limited**  
**Group and Society Revenue Account**  
**for the year ended 30 September 2022**

	Note	<b>The group</b> 2022 £	<i>As restated</i> <b>The group</b> 2021 £	<b>The society</b> 2022 £	<b>The society</b> 2021 £
<b>Turnover</b>	2	564,858	<i>516,145</i>	-	-
<b>Expenditure</b>	3	(306,808)	<i>(337,189)</i>	(49,854)	<i>(35,456)</i>
<b>Finance charges</b>		(103,432)	<i>(218,859)</i>	(12,226)	<i>(17,667)</i>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Operating surplus/(deficit) and surplus/(deficit) before taxation</b>		154,618	<i>(39,903)</i>	(62,080)	<i>(53,123)</i>
Taxation		(19,085)	17,411	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Surplus/(deficit) after taxation</b>		135,533	<i>(22,492)</i>	(62,080)	<i>(53,123)</i>
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Revenue Account includes all gains and losses in the period. All results derive from continuing activities.

**Southill Community Energy Limited  
Society no. 7242**

**Group and Society Balance Sheets  
as at 30 September 2022**

	Note	The group 2022 £	<i>As restated</i> <i>The group</i> 2021 £	The society 2022 £	<i>The society</i> 2021 £
<b>Fixed assets</b>					
Tangible assets	5	3,143,478	3,307,486	-	-
Investments	6	-	-	1	1
		3,143,478	3,307,486	1	1
<b>Current assets</b>					
Debtors	7	313,743	319,334	864,994	966,444
Cash at bank and in hand		374,494	227,082	604	1,453
		688,237	546,416	865,598	967,897
<b>Creditors:</b> amounts falling due in less than one year	8	(629,203)	(251,608)	(404,905)	(40,806)
<b>Net current assets</b>		59,034	294,808	460,693	927,091
<b>Total assets less current liabilities</b>		3,202,512	3,602,294	460,694	927,092
<b>Creditors:</b> amount falling due in more than one year	9	(2,169,234)	(2,649,731)	-	(349,500)
<b>Net assets</b>		1,033,278	952,563	460,694	577,592
<b>Reserves</b>					
Share capital	10	1,083,601	1,084,251	1,083,601	1,084,251
Revenue account		(50,323)	(131,688)	(622,907)	(506,659)
<b>Members' funds</b>		1,033,278	952,563	460,694	577,592

The notes on pages 9 to 14 form part of these accounts.

Approved by the board of directors and signed on their behalf by:

..... Director  
Thomas Johnstone

..... Secretary  
Jon Halle

..... Director  
Timothy Crisp

..... Date

**Southill Community Energy Limited**  
**Group Statement of Changes in Equity**  
**as at 30 September 2022**

	<b>Share capital</b>	<b>Revenue account</b>	<b>Total</b>
	£	£	£
At end date 30/09/20 and start date 01/10/20	1,089,251	(54,821)	1,034,430
Surplus for the year as previously stated	-	11,170	11,170
Members' share interest paid	-	(54,375)	(54,375)
Share capital redeemed	(5,000)	-	(5,000)
	<hr/>	<hr/>	<hr/>
At end date 30/09/21 and start date 01/10/21, as previously stated	1,084,251	(98,026)	986,225
Prior period adjustment (see note 13)	-	(33,662)	(33,662)
	<hr/>	<hr/>	<hr/>
At end date 30/09/21 and start date 01/10/21, as restated	1,084,251	(131,688)	952,563
Surplus for the year	-	135,533	135,533
Members' share interest paid	-	(54,168)	(54,168)
Share capital redeemed	(650)	-	(650)
	<hr/>	<hr/>	<hr/>
At end date 30/09/22	1,083,601	(50,323)	1,033,278
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Parent Society Statement of Changes in Equity**  
**as at 30 September 2022**

	<b>Share capital</b>	<b>Revenue account</b>	<b>Total</b>
	£	£	£
At end date 30/09/20 and start date 01/10/20	1,089,251	(399,161)	690,090
Surplus for the year	-	(53,123)	(53,123)
Members' share interest paid	-	(54,375)	(54,375)
Share capital redeemed	(5,000)	-	(5,000)
	<hr/>	<hr/>	<hr/>
At end date 30/09/21 and start date 01/10/21	1,084,251	(506,659)	577,592
Surplus for the year	-	(62,080)	(62,080)
Members' share interest paid	-	(54,168)	(54,168)
Share capital redeemed	(650)	-	(650)
	<hr/>	<hr/>	<hr/>
At end date 30/09/22	1,083,601	(622,907)	460,694
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Southill Community Energy Limited**  
**Notes to the accounts**  
**for the year ended 30 September 2022**

**1 Accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. They have been applied consistently during the year, and in the preceding year.

**a General Information**

Southill Community Energy Limited is a registered society incorporated in England within the United Kingdom. The address of the registered office is given in the information on page 1 of these financial statements.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) Section 1A and the Co-operative and Community Benefit Societies Act 2014.

The society has taken advantage of the provisions of section 1A of FRS 102, which provide disclosure exemptions for small entities.

Southill Community Energy Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is the functional currency of the society, rounded to the nearest £. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**b Group financial statements**

These financial statements consolidate the results of the society and its wholly owned subsidiary Southill Solar Ltd on a line by line basis.

**c Preparation of accounts on a going concern basis**

The directors consider that there are no material uncertainties about the society's ability to continue as a going concern.

**d Estimates and judgments**

The directors have estimated the value of ROCS income accrued in the accounts. The actual value of ROCS will not be known until late 2022 and is subject to fluctuations caused by uncertainties in the energy market. The estimated value of accrued income from ROCS in these accounts is £28,937 (2021: £17,806).

**e Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Development costs relating to the solar array project have been capitalised including professional fees relating to the creation of the asset and interest on development loans, in accordance with FRS102.

The fixed assets are being depreciated over their useful economic life of 25 years on a straight line basis.

**Southill Community Energy Limited**  
**Notes to the accounts**  
**for the year ended 30 September 2022 (continued)**

**f Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the revenue account in other administrative expenses.

**g Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently they are measured at fair value through profit or loss if the shares are publicly traded or if their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

**h Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised costs using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

**i Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at the balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued decrease.

**j Provisions**

Provisions are recognised when the company has an obligation at the balance sheet date as the result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**k Financial assets and liabilities**

The society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**l Leases**

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.



**Southill Community Energy Limited**  
**Notes to the accounts**  
**for the year ended 30 September 2022 (continued)**

**I Taxation**

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. 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 balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

<b>2 Income</b>	<b>The group</b>	<b>The group</b>	<b>The society</b>	<b>The society</b>
	2022	2021	2022	2021
	£	£	£	£
Sale of electricity Renewable Obligation Certificates	238,618	229,176	-	-
Other income	-	6,500	-	-
	564,858	516,145	-	-
	564,858	516,145	-	-

**3 Operating surplus is stated after charging:**

This is stated after charging/(crediting) the following:

	<b>The group</b>	<b>The group</b>	<b>The society</b>	<b>The society</b>
	2022	2021	2022	2021
	£	£	£	£
Auditor's remuneration	3,000	2,600	3,000	2,600
Depreciation: owned assets	164,008	164,008	-	-
Costs of finance	103,432	218,859	12,226	17,667
	£ 3,000	£ 2,600	£ 3,000	£ 2,600
	£ 3,000	£ 2,600	£ 3,000	£ 2,600

The average number of employees during the year was nil (2020: nil).

## Southill Community Energy Limited

### Notes to the accounts for the year ended 30 September 2022 (continued)

#### 4 Corporation tax

	<b>The group</b> 2022 £	<b>The group</b> 2021 £	<b>The society</b> 2022 £	<b>The society</b> 2021 £
Deferred tax charge/(credit)	19,085	(17,411)	-	-
	19,085	(17,411)	-	-

No current tax was payable due to group relief and capital allowance claims.  
The deferred tax charge relates to accelerated capital allowances increasing in the period.

#### 5 Fixed assets: tangible assets

	<b>The group</b> 2022	<b>The group</b> 2021	<b>The society</b> 2022	<b>The society</b> 2021
<b>Cost</b>				
Brought forward	4,101,886	4,101,886	-	-
Cost adjustment	-	-	-	-
At 30 September 2022	4,101,886	4,101,886	-	-
<b>Depreciation</b>				
Brought forward	794,400	630,392	-	-
Charge for the year	164,008	164,008	-	-
At 30 September 2022	958,408	794,400	-	-
<b>Net book value</b>				
At 30 September 2022	3,143,478	3,307,486	-	-
At 30 September 2021	3,307,486	3,471,494	-	-

The society owns no fixed assets - all are held by the subsidiary company.

#### 6 Fixed asset investments

The society is the sole subscribing member in its wholly owned subsidiary company, Southill Solar Limited (company number 10225108, incorporated in England & Wales) which was registered on 10th June 2016. The subsidiary is a company limited by shares, and the parent society owns the only share. The results of the subsidiary are included in the group accounts. It has the same registered office as the parent society.

The society loaned £966,144 (2020: £1,387,583) to its subsidiary. There is no agreed term, interest rate, or security for this loan.

**Southill Community Energy Limited**  
**Notes to the accounts**  
**for the year ended 30 September 2022 (continued)**

**7 Debtors**

	<b>The group</b> 2022 £	<i>As re-stated</i> <b>The group</b> 2021 £	<b>The society</b> 2022 £	<b>The society</b> 2021 £
Trade debtors	82,193	110,789	-	-
Deferred tax asset (see note 13)	-	17,411	-	-
Amount owed by group undertaking	-	-	864,694	966,144
Prepayments and accrued income	231,550	191,134	300	300
	<u>313,743</u>	<u>319,334</u>	<u>864,994</u>	<u>966,444</u>

**8 Creditors: amounts falling due in less than one year**

	<b>The group</b> 2022 £	<i>The group</i> 2021 £	<b>The society</b> 2022 £	<b>The society</b> 2021 £
Trade creditors	5,887	-	-	-
Bonds	349,500	-	349,500	-
Accruals	97,643	86,509	54,905	40,306
Taxation	42,857	36,771	500	500
Other loans	133,316	128,328	-	-
	<u>629,203</u>	<u>251,608</u>	<u>404,905</u>	<u>40,806</u>

**9 Creditors: amounts falling due after more than one year**

	<b>The group</b> 2022	<i>The group</i> 2021	<b>The society</b> 2022	<b>The society</b> 2021
Bonds	-	349,500	-	349,500
Deferred taxation	1,674	-	-	-
Other loans	2,167,560	2,300,231	-	-
	<u>2,169,234</u>	<u>2,649,731</u>	<u>-</u>	<u>349,500</u>

In November 2020, the group took out a loan with West Oxfordshire District Council. This loan is repayable in instalments over 15 years and is secured on the assets of the subsidiary company.

The total of secured loans as at 30 September 2021 was £2,309,320

The total payable in instalments after more than five years was £1,588,866

The bonds are unsecured and are due for repayment in June 2023.

**Southill Community Energy Limited**  
**Notes to the accounts**  
**for the year ended 30 September 2022 (continued)**

**10 Share capital**

	<b>The group</b> 2022 £	<b>The group</b> 2021 £	<b>The society</b> 2022 £	<b>The society</b> 2021 £
Brought forward	1,084,251	1,089,251	1,084,251	1,089,251
Issued	-	-	-	-
Cancelled	(650)	(5,000)	(650)	(5,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Carried forward	1,083,601	1,084,251	1,083,601	1,084,251
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**11 Related party transactions**

**Sustainable Charlbury**

Timothy Crisp and Elizabeth Reason are trustees of Sustainable Charlbury (charity number 1177404). During year Southill Community Energy Limited donated £45,000 to Sustainable Charlbury (2021: £30,000). These donations are in accordance with the S106 agreement reached when planning permission was given for the development of the solar array.

**Southill Solar Limited**

The society has loaned its wholly owned subsidiary Southill Solar Limited £966,144 (2020: £1,387,583). This loan is unsecured, has no fixed repayment date, and is interest free.

**12 Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	<b>The group</b> 2022 £	<b>The group</b> 2021 £	<b>The society</b> 2022 £	<b>The society</b> 2021 £
Less than 1 year	22,344	22,344	-	-
One to five years	89,376	89,376	-	-
Over five years	335,159	357,503	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	446,879	469,223	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**13 Prior period adjustment**

	2021 £
Group reserves as at 30 september 2021 as previously stated	(98,026)
Correction to deferred tax asset	(33,662)
	<hr/>
Group reserves as at 30 september 2021 as restated	(131,688)
	<hr/> <hr/>

**Southhill Community Energy Limited**  
**Detailed Revenue Account**  
**for the year ended 30 September 2022**

	<b>The group 2022</b>	<b>The group 2021</b>	<b>The society 2022</b>	<b>The society 2021</b>
<b>Turnover</b>	£	£	£	£
Sales:Embedded Benefits	24,182	32,528	-	-
Sales:Exported to the grid	214,436	196,648	-	-
Sales:REGOS	1,246	1,781	-	-
Sales:ROCS	324,994	278,688	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	564,858	509,645	-	-
<b>Other income</b>				
Grant income	-	6,500	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	6,500	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>	564,858	516,145	-	-
<b>Administrative expenses</b>				
Operation and management	38,638	37,232	-	-
Administration Services	21,805	20,760	-	-
Audit fee	2,400	2,000	2,400	2,000
Bank Service Charges	74	99	54	56
Directors' remuneration	2,000	3,000	2,000	3,000
Dues and Subscriptions	707	597	400	400
Hire of equipment	-	475	-	-
Import electricity	4,394	4,048	-	-
Insurance Expense	6,844	6,345	-	-
Legal fees	-	4,850	-	-
Metering	120	120	-	-
Miscellaneous Expense	36	13	-	-
Professional Fees	(4,700)	27,526	-	-
Rent and Rates	23,547	22,466	-	-
Repairs and Maintenance	1,935	13,650	-	-
Travel and meeting costs	-	-	-	-
Donations	45,000	30,000	45,000	30,000
Depreciation	164,008	164,008	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	306,808	337,189	49,854	35,456
<b>Finance charges</b>	103,432	218,859	12,226	17,667
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Surplus/(deficit) before tax</b>	£ 154,618	£ (39,903)	£ (62,080)	£ (53,123)
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