Registered number
32417R

South East London Community Energy Limited

Report and Unaudited Accounts

31 March 2020

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South East London Community Energy Limited
Report and accounts
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South East London Community Energy Limited
Society Information

Directors
Alex Hartley
Sergio Olivares
Camilla Berens
Andrew Rendel
Clare Silcock (stood down September 2019)
Peter Smolen (stood down September 2019)
Lorna Greenwood (stood down September 2019)
Ruth Bradshaw (elected 2018)
Nadia Smith (elected 2019)
Lesley Giles (elected 2019)
James Sheward (elected 2019)
Louise Sunderland (elected 2019)
Jason Blanchard (co-opted October 2019)
Guy Thomson (elected 2019 and stood down January 2020)

Secretary
Giovanna Speciale

Accountants
Shruti Soni Limited
117A St Johns Road
Sevenoaks
Kent
TN13 3PE

Bankers
Co-operative Bank Plc
P.O.Box 101
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Manchester
M60 4EP

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Unit 6 Greenwich Centre Business Park
C/o GCDA
53 Norman Road
Greenwich
SE10 9QF

Registered number
32417R

South East London Community Energy Limited
Registered number: 32417R
Directors' Report

The directors present their report and accounts for the year ended 31 March 2020.

Principal activities

South East London Community Energy Limited (SELCE, the Society) was incorporated on 18th June 2014. It is registered as a Society for the Benefit of the Community with the FCA N: 32417 R. The Society's principal activity is to develop the supply of renewable resources in the South East London area. The Society does this for the benefit of the community - by offering the chance to part-own these renewables people get the chance to get involved in renewable energy and develop further renewable schemes. The Society has also undertaken work to alleviate fuel poverty in South East London.

The Society is kindly hosted by Greenwich Co-operative Development Agency.

Directors

The following persons served as directors during the year:

Alex Hartley
Sergio Olivares
Camilla Berens
Andrew Rendel
Clare Silcock (stood down September 2019)
Peter Smolen (stood down September 2019)
Lorna Greenwood (stood down September 2019)
Ruth Bradshaw (elected 2018)
Guy Thomson (elected 2019 and stood down January 2020)
Lesley Giles (elected 2019)
James Sheward (elected 2019)
Louise Sunderland (elected 2019)
Jason Blanchard (co-opted October 2019)
Nadia Smith (elected 2019)

REVIEW OF BUSINESS

Solar performance in our School Sites (share offer 1 and 2)

Our first share offer (Sept - Nov 2015) provided finance to install solar PV on Horniman, Ashmead, Mulgrave and Charlton Park Schools. Our second share offer (July 2016) provided finance to install solar PV on Alderwood, Deansfield and Bannockburn Schools. In Oct 2019 we launched a further share offer to raise community finance for a further four sites: Thamesmere and Coldharbour Leisure Centres, St Lukes Church and Aluna Moon Clock/Arora Ball room. These sites were not commissioned until 1st April 2020. Therefore, when discussing income from solar sites, for this financial year, this relates to share offer 1 and 2 sites. Share offer 3 sites do not generate any income until financial year 2020-21

Income from our school solar arrays is broadly similar to that of financial year 2018/19. It has increased relative to FY2017/18 but is still below predicted levels. We have worked intensively with the MCS (Microgeneration Certification Scheme) and their agents in the South East (NICEIC) and contractors R-Eco to understand the cause of the lower yield against forecast. It has now become apparent that the reasons for this are threefold

(a) Fewer panels and lower yield
310.46kWp of solar PV was installed across seven school sites made up of 1241 solar panels. This is 17.3kWp (69 solar panels) less than GHG Energy had been contracted to install. In the most part, this manifested itself as a few panels missing from each site though, on one site, the installed capacity was 7kWp less than specified in the contract. Selce staff are not permitted on roofs for health and safety reasons. Our installer GHG Energy misrepresented the capacity installed in numerous documents such as the MCS Certificates, the commissioning packs, as built drawings, and maintenance reports. The extent of the reduced capacity has only become apparent following an investigation commissioned by Selce and conducted by R-Eco and formal complaints made to the MCS. Because there are fewer panels, there is in a reduction in solar electricity generation relative to predictions of approximately 14,000 kWh per annum.

(b) Technical Faults
Following detailed investigations we are now aware of technical faults on all sites. Some faults are associated with a reduction in yield; these faults include over-extended cable runs, failure to contain cables, use of excessive connectors. Some remedial work was carried out by GHG Energy following an investigation by the NICEIC. This has resulted in an increased yield on Horniman and Ashmead Schools. But Alderwood, Bannockburn and Deansfield, are still generating 6000kWh, 2300kWh and 16700kWh respectively less than projected generation.

(c) Unable to Remediate Faults Prior to Lockdown
Prior to lockdown in February, the solar arrays on Deansfield and Alderwood Schools were isolated (turned-off) following identification of electrical faults. Lockdown and the closure of schools prevented us from returning to the sites to recommission the solar install until May in Deanfield School and early August on Alderwood School. Since this coincided with Spring - the period of greatest predicted yield - this it has impacted significantly on income this year and will have an even greater impact in FY2020/21.

Our original financial model predicted an income of £43,429. The income this year was £39,191. The loss of income associated with these issues combined is £4,238. We believe that this reduction in income is significant but not debilitating. In practice this means that there is less income to pay staff and no financial surplus to support our fuel poverty alleviation work. Most of the solar asset management related to these sites continues to be done on a volunteer basis. Selce staff have worked intensively with regulatory bodies to seek financial redress and funds for remedial work, a process which is ongoing.

Despite the reduction in yield our solar sites continue to provide significant benefits: to date the sites have generated 835 MWh of clean, green, solar electricity. To put this into context this enough power to enable an electric car to drive 166,963 km or 4.17 times around the equator of the earth. This power generation has avoided the emission of 267.8 tonnes of carbon.

South East London Community Energy Limited
Registered number: 32417R
Directors' Report

The Development of New Solar Sites

Throughout FY2019/20 we were working intensively on the development of four new solar sites (Thamesmere and Coldharbour Leisure Centres, St Luke's Church and Aluna Moon Clock/Arora Ball room). These sites were all pre-registered with Ofgem to receive a Feed in Tariff. We received £38,378.00 in funding from the London Community Energy Fund over two years to develop these sites. The development costs of these sites exceeded our funding by £7,410.01. This is mainly because of the complexity of legal negotiations. The capital costs of sites exceeded quotes by £7,979.84. This is because the Coronavirus interrupted imports of solar panels resulting in an increase in panel prices exactly at the time we needed to install. Installation was delayed until February due to the difficulty of reaching legal agreement on the lease and power purchase agreement. Installation was then hampered by three major storms in February and by the lockdown coming into force in late March, forcing installers to complete the final installation (Aluna Moon Clock/Arora Ballroom) whilst implementing social distancing. Despite these obstacles our installers R-Eco soldiered on to complete installations by the end of March. We would like to take this opportunity to thank them for their tenacity and professionalism.

Promoting Low Carbon Initiatives

In this financial year we also worked with six Schools in Lewisham to implement their own low-carbon action plans. With support from the London Community Energy Fund Selce staff worked with consultants Carbon Smart, the school facilities management and a tenacious team of parent volunteers to identify carbon reduction measures that provided greatest impact on the schools' carbon footprint per £1 invested. Selce staff then supported the schools to apply funds from Lewisham Community Energy Fund to implement some of these measures Rathfern, Beecroft, Kilmorie and John Ball primary schools have been awarded funds for LED Retrofit whilst Dalmain was awarded funds for installation of a 20kWp solar array. The Coronavirus induced lockdown has resulted in delays to installation of these measures however we anticipate that this work will collectively reduce CO2 emissions by 21.1 tonnes annually and reduce electricity costs for these schools by £13,080 combined.

LED Retrofit

Working in partnership with our neighbouring community energy group SE24 and mentored by CREW we have started work on developing a new social business model that will enable us to use community finance to enable LED retrofit in local community sites across Southwark and Lewisham. We have employed Nadia Smith to lead on this work. Again, the coronavirus has resulted in a temporary delay in this work.

Future Fit Homes

Over the past three years Selce has done substantial work enabling vulnerable households to access funds to improve the energy efficiency of their properties. As a result of this we have developed considerable expertise in specification and project management of whole house retrofit. With two small grants from The London Community Energy Fund and Awards for All we have worked to develop an offer for households who are able to pay or to contribute towards the cost of whole house retrofit. Working in partnership with Retrofit Works, we have planned workshops, webinars, a whole house plan, thermal imaging and retrofit coordination and access to vetted contractors. We have trialled the approach with 20 households and formed a working group of skilled local residents to guide the project. What makes this service different is the community involvement: our aim is to enable households to support one another on the journey and promote deep retrofit and have trialled approaches such the retrofit party (the energy efficiency equivalent of the Tupperware party). The coronavirus delayed the full launch of this service.

Fuel Poverty Alleviation Work

We continue to expand our fuel poverty alleviation work: our income from grants and commissions has increased form £74,000 in FY2018/19 to £121,000 in FY2019/20. This is mainly due to a shift in the way in which we work with other organisations and with the local authorities in South East London. Previously, community sector organisations would compete to access funds for fuel poverty alleviation work: SELCE would typically access multiple grants of less than £20,000 to which we would add donations from members. This enabled us to provide energy café's (one to one advice for those at risk of fuel poverty), workshops for community groups, frontline worker training and outreach. We also undertook work to enable fuel poor residents to benefit from funded home energy improvements such as loft, cavity and underfloor insulation or heating upgrades funded by referral fees from contractors with funds topped up by funds from Lewisham Council.

In 2018 - 19 Lewisham Council initiated a new, innovative way of working whereby community sector organisations and local authorities would work together in a strategic fuel poverty alleviation partnership to coordinate work and funding across the SE region supported by Mayoral funds. In 2018-19 SELCE benefitted from funds that helped us to deliver a more comprehensive energy café service and continue work identifying households that could benefit from home energy improvements. SELCE was responsible for outreach work whilst another organisation was funded to deliver home energy advice visits.

This year, the partnership evolved such that SELCE delivered some of the home energy advice visits focusing on those that combined providing energy advice and light measures with enabling the installation loft/cavity/underfloor insulation or heating upgrades. This meant a substantial increase in funded work and meant that we were able to expand our staff team. We also continued to operate energy cafes, workshops and outreach expanding our reach beyond Lewisham and Greenwich to also include Bromley, Croydon and Bexley. We have worked intensively with our partners to develop a joined-up approach meeting the needs of the most vulnerable clients.

SELCE also secured funding for a project we called "Empowering Elders". We had noticed that the older residents who were most at risk of fuel poverty were least likely to reach out for support. This is for a variety of reasons including a strong sense of pride and self-reliance. We worked to overcome these barriers and trialled ways of working in partnership with five older people's organisations including Lewisham Pensioners Forum, the Diamond Club, Stanstead Lodge, Age UK and the Asian Elders and Carers Group. Each organisation recruited volunteers from amongst their membership as 'energy champions'. Champions, staff and volunteers received training that enabled them to identify the signs and symptoms of fuel poverty, work with their peers and support them to reach out to us for support and advice. The Selce team, sometimes accompanied by the champions, would visit the older people in their homes gently supporting them to understand and reduce their energy costs.

We provided tailored one to one advice to 554 energy café clients, delivered 239 home visits, delivered 51 workshops in partnership with community groups that raised awareness about fuel poverty and provided energy saving tips to 488 people. We identified £385,000 in financial savings during home visit advice sessions as a result of enabling clients to get the best deal on electricity and gas, to get the Warm Home Discount and WaterHelp (a discount on water for low income customers), to reduce energy demand and increase energy efficiency though 'light measures'.

Because of the coronavirus, come the beginning of March we wound up all face to face advice work including energy café's and ceased home visits. Then the phone started to ring. Some calls came from 'shielded' individuals who do not know how to top up their pre-payment meters. Other calls have come from people worried they will not be able to pay their energy bills now they are at home all the time and are using more energy. Those in the worst position are the newly vulnerable who had lost their livelihoods or were desperately waiting for Universal Credit to start. This included those in precarious employment who have fallen through the gaps in available support. They had exhausted all their funds and couldn't top up their meters; this meant they couldn't cook, refrigerate food, take a hot shower, or run appliances. For some, energy issues had spiralled out of control with all the concomitant impacts on mental health. We had planned that the lion share of member donations would support our energy cafes, instead we used these donations to establish a lockdown energy advice service that employed two advisors who supported and trained a team of 8 volunteers to provide energy advice by phone, Zoom and WhatsApp.

Over 19-20 our staff team grew to 7 salaried staff and 2 contactors; most were employed on part-time contracts two were employed as contract staff giving them the flexibility to complete MSc courses around their paid work. By Feb 2019 our staff team comprised of 4.7 full time equivalents. These were

- Giovanna Speciale (CEO 0.6 FTE)
- Tristan Owen (Energy Efficiency Projects Manager 0.6 FTE)
- Ying Man (Senior Energy Advisor 0.4 FTE)
- Alex Hartley (Senior Energy Advisor 0.6 FTE)
- Nadia Smith (Sustainable Futures Manager 0.8 FTE)
- David Masters (Energy Advisor 0.9 FTE)
- Sonia Haddad (Energy Advisor 0.4 FTE)
- Sharon O'Connor (Energy Advisor 0.4 FTE)
- Katherin Garcia Rincon (Energy Advisor – contractor)
- Eliza Sturt (Future Fit Homes Manager – contractor)

Despite the increase to our staff team, SELCE continues to be a volunteer led organisation that benefits substantially from the enthusiasm and commitment of volunteers. We would like to take this opportunity to mention a few of them;

- Joseph Swift who has been a Selce stalwart since 2015 and without whom the book-keeping and admin would not happen;
- Milap Jani and Titilope Adoyade who braved the winter weather to support our solar installers;
- Andy Keelan who did a forensic analysis of our solar capacity and other solar asset management issues and Zak Preston who has supported the renewables working group and the board
- Christian Rauch, Ben Middleton, Anna Fairlough, Shelagh Doonan and Will Walker who volunteered to support the development of our Future Fit Homes Service;
- Doreen Walton, Sarah Austin, Karin Hilfiker, Helena Goudry Butler and Penny Ashcroft the tenacious team of Lewisham parents who were the force behind our work with Lewisham Schools and the Lewisham Community Energy Fund.

•Our Empowering Elders Champions John Allen, Mohan Mokashi, Lesley Allen, Cathy Astley, Stella Oyediji;
•Last but not least our volunteer energy advice team: Tony Milion, Titilope Adoyade, Sarah Culley, Robert Turkentine, Armelle Lee, Francisco Rodriguez, Sobia Mahmood
It is also with great sadness that we would like to mark the passing of two volunteers who will be sorely missed: Joe Noughty, and Dave Sharman.

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

CCBS Act 2014 requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under CCBS Act 2014 the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of the profit or loss of the company for that period. 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 accounts on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the accounts comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to reporting accountant

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant information of which the Society's reporting accountant is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information and to establish that the Society's reporting accountant is aware of that information.

This report was approved by the board on 6 September 2020 and signed on its behalf.

Camilla Berens	~~Sergio Olivares~~	Giovanna Speciale
Chair & Director	Treasurer & Director	Secretary
	Andrew Rendel	
	ATR	

South East London Community Energy Limited

Independent reporting accountant's report to the member s on the unaudited statutory accounts of South East London Community Energy Limited for the year ended 31 March 2020

We report on the accounts for the year ended 31 March 2020 set out on pages 8 to 14.

Respective responsibilities of the committee of management and the independent reporting accountant

The society's committee of management is responsible for the preparation of the accounts, and they consider that the society is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of Opinion

Our procedures consisted of comparing the accounts with the books of account kept by the society and making such limited enquiries of the officers of the society as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

Opinion

In our opinion:

- the revenue account and balance sheet for year ended 31 March 2020 are in agreement with the books of account kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014;
- having regard only to, and on the basis of the information contained in the books of account, the revenue account and balance sheet for the year ended 31 March 2020 comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- the society met the financial criteria enabling it to disapply the requirement to have an audit of the accounts for the year specified in section 84 of the Co-operative and Community Benefit Societies Act 2014.

Shruti Soni Limited
Chartered Certified Accountants and Statutory Auditor
117A St Johns Road
Sevenoaks
Kent
TN13 3PE

September 2020

South East London Community Energy Limited
Profit and Loss Account
for the year ended 31 March 2020

	2020 £	2019 £
Turnover	227,939	162,773
Cost of sales	(33,320)	(29,604)
Gross profit	194,619	133,169
Administrative expenses	(159,695)	(105,113)
Other operating income	-	(1,500)
Operating profit	34,924	26,556
Profit before taxation	34,924	26,556
Tax on profit	-	-
Profit for the financial year	34,924	26,556

All income and expenditure is derived from continuing activities
Administrative expenses relate to both depreciation of solar assets and also the cost of delivering projects in accordance with our agreement with grant makers or commissioners of these projects

South East London Community Energy Limited
Registered number: 32417R
Balance Sheet
as at 31 March 2020

	Notes		2020 £		2019 £
Fixed assets					
Intangible assets	3		78		111
Tangible assets	4		419,803		275,363
			419,881		275,474
Current assets					
Debtors	5	112,703		40,813	
Cash at bank and in hand		92,126		39,991	
		204,829		80,804	
Creditors: amounts falling due within one year	6	(37,365)		(19,347)	
Net current assets			167,464		61,457
Net assets			587,345		336,931
Capital and reserves					
Called up share capital			569,670		345,872
Profit and loss account			17,675		(8,941)
Shareholders' funds			587,345		336,931

The Directors are satisfied that the society is entitled to exemption from the requirement to obtain an audit under Section 83 of the Co-operative and Community Benefit Societies Act 2014. The Directors are satisfied that the Society meets the criteria set in Section 84 (1) and by using its power under Section 84 (2) of the said Act, a resolution was passed at its general meeting (at which i. less than 20% of the votes cast were against the resolution and ii. less than 10% of the votes held within the society were cast against the resolution) 'to disapply Section 83 of the Act.

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.

Camila Berens	~~Sergio Olivares~~	Giovanna Speciale
Chair & Director	Treasurer & Director	Secretary

Approved by the board on 6 September 2020 Andrew Rendel

ATR

South East London Community Energy Limited
Statement of Changes in Equity
for the year ended 31 March 2020

	Share capital	Share premium	Re-valuation reserve	Profit and loss account	Total
	£	£	£	£	£
At 1 April 2018	385,822	-	-	(24,268)	361,554
Profit for the financial year				26,556	26,556
Dividend on Community Share Capital				(11,229)	(11,229)
Shares redeemed	(39,950)				(39,950)
At 31 March 2019	345,872	-	-	(8,941)	336,931
At 1 April 2019	345,872	-	-	(8,941)	336,931
Profit for the financial year	-			34,924	34,924
Dividend on Community Share Capital	-			(8,308)	(8,308)
Shares issued	223,798	-			223,798
At 31 March 2020	569,670	-	-	17,675	587,345

Community Share Capital and Dividend
Shares issued is Community Share Capital raised in previous years, that is withdrawable by the holder after a fixed period of time at the discretion fo the Directors is treated as Equity in the Balance Sheet based on futher guidance and clarification from regulatory accounting bodies. Previously this was being treated as liability rather than Equity. This is because, although Dividend can be paid and shares can be repaid, the Board can also decline to pay Dividend or to repay shares. All share holders automatically become members and have voting rights at the AGM. However, there are restriction on sale or transfer of Community shares. Unlike ordinary share capital, Community Shares receive Dividend of upto 4% payable annually at the discretion of the Directors. This Dividend while being shown in Statement of Changes in Equity, is not a distribution of profits but merely compensation for the risk and for not having access to the money.

South East London Community Energy Limited
Notes to the Accounts
for the year ended 31 March 2020

1 Accounting policies

Basis of preparation
The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

Turnover
Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Grants are recognised in the income and expenditure account so as to match them with the expenditure towards which they are intended to contribute. Grants made as a capital contribution towards fixed assets are initially deferred and recognised in the income and expenditure account over the expected useful economic lives of the related assets

Going Concern
As at the balance sheet date 31 March 2020 SELCE has net assets of £587,514 (2019: £336,931). During the year it made a profit before provision for dividend on Community Share Capital of £34,924 (2019: £26,556). After providing dividend on Community Shares of £8,308 (2019:£11,229) the profit and loss account stood balance as at the year end at £17,674 (2019: £8,941 overdrawn). Directors believe that losses in previous financial years are due to the long gestation period between the start of the project and income being received. This is common for community energy societies like SELCE. For the current financial year, the disparity between projected and actual income from solar sites that formed part of share offer 1 and 2 sites are due to three factors: a lower capacity of solar panels were installed than contracted; technical faults have resulted in a diminution in yield; and two of the sites were decommissioned over the peak generation period due to faults that could not be remediated during lockdown. Selce staff will continue to work with regulatory bodies to seek financial recompense or remediation of faults. The Directors believe that expected reduction in revenues do not pose any significant issues in terms of the overall financial position of the organisation. The directors consider that there are no material uncertainties about the Community Benefit Society's ability to continue as a going concern.

Key judgements that have been made which have a significant effect on the accounts include estimated useful file of fixed assets and deferral of grant income. The directors do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Intangible fixed assets
Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses. Software is ammortised over 3 years.

South East London Community Energy Limited
Notes to the Accounts
for the year ended 31 March 2020

Tangible fixed assets
Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. The cost of minor additions or those costing less than £250 are not capitalised. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery - solar trailer	over 10 years
Plant and machinery - solar panel installations	over 20 years
Vehicles	over 5 years
Fixtures, fittings, tools and equipment	over 5 years

Debtors
Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors
Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Community Share Capital and Interest
Shares issued is Community Share Capital raised in previous years, that is withdrawable by the holder after a fixed period of time at the discretion fo the Directors is treated as Equity in the Balance Sheet based on futher guidance and clarification from regulatory accounting bodies. Previously this was being treated as liability rather than Equity. This is because, although interest can be paid and shares can be repaid, the Board can also decline to pay interest or to repay shares. All share holders automatically become members and have voting rights at the AGM. However, there are restriction on sale or transfer of Community shares. Unlike ordinary share capital, Community Shares receive interest of upto 4% payable annually at the discretion of the Directors. This interest while being shown in Statement of Changes in Equity, is not a distribution of profits but merely compensation for the risk and for not having access to the money.

Provisions
Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Pensions
Contributions to defined contribution plans are expensed in the period to which they relate.

2 Employees

	2020 Number	2019 Number
Average number of persons employed by the company	8	2

3 Intangible fixed assets

Software:	£
Cost	
At 1 April 2019	256
At 31 March 2020	256
Amortisation	
At 1 April 2019	145
Provided during the year	33
At 31 March 2020	178
Net book value	
At 31 March 2020	78
At 31 March 2019	111

4 Tangible fixed assets

	Plant and machinery etc £	Motor vehicles £	Total £
Cost			
At 1 April 2019	336,564	4,300	340,864
Additions	166,327	-	166,327
At 31 March 2020	502,891	4,300	507,191
Depreciation			
At 1 April 2019	63,208	2,293	65,501
Charge for the year	21,027	860	21,887
At 31 March 2020	84,235	3,153	87,388
Net book value			
At 31 March 2020	418,656	1,147	419,803
At 31 March 2019	273,356	2,007	275,363

5 Debtors

	2020	2019
	£	£
Trade debtors	45,088	26,705
Other debtors	67,615	14,108
	112,703	40,813

6 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	22,338	6,569
Taxation and social security costs	697	697
Other creditors	14,330	12,081
	37,365	19,347

7 Other information

South East London Community Energy Limited is a Community Benefit Society not having share capital incorporated in England under Cooperative and Community Benefit Societies Act 2014. Its registered office is:

Unit 6 Greenwich Centre Business
C/o GCDA
53 Norman Road
Greenwich
SE10 9QF

South East London Community Energy Limited
Detailed profit and loss account
for the year ended 31 March 2020
This schedule does not form part of the statutory accounts

	2020 £	2019 £
Sales	227,939	162,773
Cost of sales	(33,320)	(29,604)
Gross profit	194,619	133,169
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Other operating income	-	(1,500)
Operating profit	34,924	26,556
Profit before tax	34,924	26,556

South East London Community Energy Limited
Detailed profit and loss account
for the year ended 31 March 2020
This schedule does not form part of the statutory accounts

	2020 £	2019 £
Sales		
Sales	227,939	162,773
Cost of sales		
Subcontractor costs	33,320	29,604
Administrative expenses		
Employee costs:		
Wages and salaries	82,860	49,527
Pensions	2,015	1,136
Temporary staff and recruitment	-	238
Volunteers and Staff training costs	4,165	3,921
Travel and subsistence	1,229	1,581
Motor expenses	2,674	911
	92,943	57,314
Premises costs:		
Premises hire	9,551	8,142
	9,551	8,142
General administrative expenses:		
Telephone and fax	908	924
Postage	354	447
Subscriptions	1,018	1,400
Insurance	3,301	3,225
Equipment expensed	1,489	309
Software	364	440
Repairs and maintenance	20	170
Depreciation	21,920	22,701
Sundry and beneficiary expenses	10,141	2,413
	39,515	32,029
Legal and professional costs:		
Accountancy fees	1,182	1,000
Consultancy fees	13,146	5,853
Advertising and PR	3,358	775
	17,686	7,628
	159,695	105,113
Other operating income		
Other operating income	-	(1,500)