

**Report of the Directors**  
**for the period from 1<sup>st</sup> Dec 2010 to 30<sup>th</sup> Nov 2011**  
**and the**  
**Financial Statements**  
**for the period from 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2011**  
**for**  
**The Totnes Renewable Energy Society Limited**

The Directors present their report of the Society for the period from 1<sup>st</sup> December 2010 to 30<sup>th</sup> November 2011 with Financial Statements appended for the year end 31<sup>st</sup> March 2011.

### **Principal Activity**

The principal activities of the Society in the period under review were to continue with work on the Totnes Community Wind Farm, and the development of a wider project portfolio in solar, anaerobic digestion, and woodheat energy. The Society has significantly improved its administrative and communications capability, contributing to the success of the 2011 Share Issue, which raised a further £109,784, and with membership now standing at 502.

### **Review of business**

The TRESOC flagship project is the Totnes Community Wind Farm, in progress through a unique community/industry partnership arrangement with Infinergy Ltd, a Dorset based wind development company. TRESOC has engaged with Infinergy in a series of pre-application planning discussions with South Hams District Council to determine the criteria for submission of evidence in the planning application. Professional bird, bat and general environmental surveys, with a noise assessment and visual impact studies are all now complete. The results of these studies were presented to the local community at an open day in Harbertonford Village Hall where residents had the opportunity to question representatives from noise consultants Hayes MacKenzie. The detailed results from the surveys are now being incorporated into the planning application which will be submitted in the first quarter of 2012.

TRESOC is in negotiation with The Dartington Hall Trust over rights to develop 2 significant biomass energy projects in partnership with the Trust on the Dartington Estate. The Totnes Anaerobic Digestion Project will combine locally sourced food, garden and farm wastes as feedstocks for an anaerobic digestion plant generating electricity, heat and organic fertiliser. Pre-feasibility work has confirmed the potential commercial viability of the Totnes AD Project and discussions with other key stakeholders are continuing apace with The Dartington Hall Trust negotiations. With the Renewable Heat Incentive in force from December 2011, well designed woodfuel heating installations become economically viable and TRESOC is also in discussion with The Dartington Hall Trust regarding the design, installation and operation of a woodfuel boiler on the Estate.

The favourable Feed in Tariff rates for solar photovoltaic panels (solar PV) earlier in the year generated a number of opportunities for TRESOC participation in local solar PV projects. The reduction in payment rates for solar PV that were announced in two Feed in Tariff Reviews during the year have substantially reduced the scale and scope of these opportunities. However, TRESOC did reach agreement with South Western Solar Projects Ltd (SWSP) for the purchase of a 30 kW installation at Hatchlands Farm. During installation SWSP announced that they would be able to install a further 20 kW at the site and that they only wished to sell the full 50 kW installation to one owner. The view of the TRESOC Board was that the extra 20 kW capacity should have been offered at a substantially lower price and that the purchase of the full 50 kW would have left insufficient working capital to meet operating costs in the coming year. TRESOC offered to purchase 30 kW at the original price and has made a lower offer for the entire 50 kW, so far to no avail.

TRESOC is also working with The Sharpham Trust on a 50 kW solar installation on the Sharpham Estate. Despite the substantial reduction in Feed in Tariff rates for solar PV installed after 12<sup>th</sup> December it appears that with a lower quotation for installed cost there is still an opportunity for a modest profit. Discussion is continuing with The Sharpham Trust on a partnership arrangement that would enable TRESOC to take a minority investment in a 50 kW installation.

Approval was given by members at the December 2010 AGM to extend the opportunity of Membership of the Society to local residents through a further Share Issue in the current year. The 2011 Share Issue was launched on 5<sup>th</sup> September and closed on 19<sup>th</sup> September having raised a further £109,784. The new total of 502 members is a 32% increase from the 378-strong membership. New applicants total 117, with 63 existing members having applied to increasing their shareholdings, 11 applications were made for investment in trust for children or grandchildren, and there are 3 new corporate applicants, bringing the total of corporate membership to 9 local businesses.

The communications, administrative & accounting functions of the Society have been considerably enhanced during the current financial year to meet the challenges presented by a growing project portfolio. Jane Brady joined the Board as Marketing Director in January and Mandy Burton was chosen from a strong field of applicants drawn from the TRESOC membership to work part time in administration. Finance Director, Steve Casemore provides clear financial analysis of projects in progress and has developed internal accounting procedures, with Alix Riley working part time as book-keeper. Legal Director, Owen Hill is making a vital contribution in structuring the legal agreements to enable TRESOC to engage in partnership working for the delivery of a diverse project portfolio. The Society is now well prepared to deal with an increased workload of project development and implementation during 2012.

## **Interest**

No interest will be distributed for the period ended 31<sup>st</sup> March 2011

## **Directors**

The Directors shown below have held office during the whole period from 13<sup>th</sup> December 2010 to the date of this Report.

I Bright                      Managing Director

TRESOC Limited (Registered Number 30373R)

|            |                                      |
|------------|--------------------------------------|
| O Hill     | Company Secretary and Legal Director |
| S Casemore | Finance Director                     |
| R Hoyland  | Director                             |
| A Langmaid | Director                             |

## **Directors**

Changes in Directors holding office are as follows:

J Brady appointed as Marketing Director on 18<sup>th</sup> January 2011

Directors Retiring at AGM 9<sup>th</sup> December 2011

R Hoyland  
A. Langmaid

## **Election of Directors**

R Hoyland and A Langmaid to stand for re-election by the membership at the AGM

## **Auditors**

The Auditors, Darnells, will be proposed for re-appointment at the forthcoming Annual General Meeting. To comply with FSA regulations a full audit is proposed for the financial year ending 31<sup>st</sup> March 2011.

## **On Behalf of the Board**



.....  
I Bright – Director

Date .....9<sup>th</sup> Dec 2011.....

## **Financial Statements for the Year Ended 31<sup>st</sup> March 2011**

### **Overview**

Darnells, Chartered Accountants of Fore Street, Totnes were engaged to prepare the Statutory Financial Statements for TRESOC, for the year ending 31<sup>st</sup> March 2011.

These statements assist the directors to fulfil their duties to maintain accurate accounting records under the Industrial and Provident Societies Act 1965 to 2002. They are compiled using the provisions of UK GAAP (Generally Accepted Accounting Principles).

The Board signed off these statements for the year ending 31<sup>st</sup> March 2011 on 25<sup>th</sup> October 2011.

A copy of these statements will be available at the 2011 AGM and will be provided to any member at their request.

### **Key Points from the Financial Statements, for the year ending 31<sup>st</sup> March 2011**

As at 31<sup>st</sup> March 2011, TRESOC's Member Funds totalled £49,992, Called up Share Capital was £71,619 with accumulated losses since inception (including shares awarded to founder directors) of £21,627. The bank balance at 31<sup>st</sup> March 2011 was £50,952 with £960 of invoices awaiting payment.

The main financial events during the year were:

- The first Share Issue, which closed in December 2010, raised £59,973 from members.
- A loan of £7,000 which was used, in the main, to fund the share issue promotion costs. This loan was repaid in full during the financial year and incurred a £175 interest charge.
- £1,370 of legal fees paid for the setting up of agreements for the Totnes Community Wind Farm.
- Directors insurance and accountancy fees of £1,825.
- An award of £10,000 in shares to the founder directors as set out in the prospectus for the first share issue.