

Finance Report from AGM on 30/9/2026

Presentation of the audited accounts by Brian Titley, LCG Treasurer.

Version 2

Here are the Low Carbon Gordano finance report and presentation of the financial statements for the year ending 31/3/26.

Interest payments to members

Interest payments to members During 2025/26, the LCG Board paid: • 5.3% to Members against shares held during 2024/25 (£146,634) During 2026/27, the LCG Board are currently intending to pay • 4.3% to Members against shares held during 2025/26	 The logo for Low Carbon Gordano, featuring the text "Low Carbon Gordano" and "Community Energy for North Somerset" with a stylized green sunburst graphic.
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£146,634 was paid out during 25/26 as interest at 5.3% on member shares held the previous year.

Based on the Board's existing payment policy, we would have been expecting to pay out in November 2026 at 3.6% interest on member shares held during 25/26. However, the Board are in the process of reviewing the policy to provide more flexibility and keep LCG rates of interest broadly in line with trends in the investment market. So, the Board have approved paying interest at 4.3% on member shares held during 25/26.

Community Benefit Fund payments:

The logo for Low Carbon Gordano, featuring the text "Low Carbon Gordano" and "Community Energy for North Somerset" with a stylized green sunburst graphic behind the 'o' in "Gordano".

Community Benefit Fund (CBF) payments

At the September 2024 AGM, the LCG Board proposed a CBF payment of £19,300 that was paid out in 2025/26

After the September 2025 AGM, the LCG Board made a CBF payment of £22,222 during 2026/27

At the September 2026 AGM, the LCG Board are proposing the CBF payment to be paid during 2027/28 to be £22,222

£19,300 was paid out to the community benefit fund during 25/26.

£22,222 is being paid out to the community benefit fund in this current financial year. This was an amendment from the CBF payment approved by the AGM last year and was made up of: 1. the £10k to the Mega Watt Fund; 2. moving £10k budget from LCG's development budget into the CBF for the 'Watts On The Roof' LCG grant for solar on a community roof each year; 3. £2,222 top up of funding to ensure that 10% of the CBF was still available for projects in the Developing World.

The LCG Board are proposing the CBF payment to be paid during 2027/28 to be £22,222 (again, £10,000 to the Mega Watt fund for Quartet to administer, £10,000 to 'Watts On The Roof' grant and £2,222 will be paid to a project in the Developing World).

The Profit and Loss account:

Profit & Loss		Low Carbon Gordano Community Energy for North Somerset
	£	
Turnover	608,910	
Cost of Sales	(319,729)	
Admin & Establishment	(160,860)	
Other Income	0	
Interest Payable	(17,505)	
Interest Receivable	<u>1,535</u>	
Profit for the year	112,351	

- Sales were £608,910. Excluding grants, this was up £40k on the previous year, though comparison between years is difficult due to allocation across the two years of any shortfall in the Moorhouse fire-related business interruption insurance.
- Profit for the year was £112,351, a little up on the profit of £111,169 in the previous year and was £36,382 lower than we had set out in the projections.

The Balance Sheet:

Balance Sheet		Low Carbon Gordano Community Energy for North Somerset
	£	
Fixed Assets	1,707,082	
Current Assets	358,436	
Current Liabilities	(123,463)	
Long-term Liabilities	<u>(389,000)</u>	
NET ASSETS	1,553,055	

- Balance sheet shows a net worth of £1,553,055.

How is that net worth financed? Well, ...

Balance Sheet

Financed By

	£
Loss Reserves brought forward	(888,312)
Profit for the Year	112,351
Interest on members' shares in Year	(146,634)
Member Shares	<u>2,475,650</u>
TOTAL MEMBERS' FUNDS	1,553,055

- The £922,595 cumulative loss to date is financed by the £2,475,650 member shares.

Long-term projections:

Long Term Projections

On ...	31/03/2027	31/03/2032	31/03/2037	31/03/2042
(£ ,000s)				
Shares held	2,283	1,217	111	0
Net worth	1,364	758	121	27
Fixed assets (solar installations) owned	1,590	681	46	20

AGM September 2026

The long-term projections are based on the Active option as presented to and favoured by members at September 2024 AGM. This scenario is based on using LCG's asset base to seek grant funding and push on with developing new sites. We have managed to continue on this "Active" strategy, though no new sites yet. The good news is that now there is once again a point in 2042 in the projections where all the shares will have been withdrawn and there will be residual money left in the bank.

Projected Payments:

Projected Payments			
During ...	2024/25	2025/26	2026/27
Rate of interest projected	7.0%	5.3%	4.3%
(£ ,000s)...			
Interest paid on shares held	199	145	110
Shares withdrawn	185	229	193
CBF payments	19.3	19.3	22.2

- Rate of interest is less than previous years but is no longer tracking inflation but is based on tracking the market and affordability.
- Share withdrawal of £193k has been budgeted for 26/27.
- Community Benefit Fund payment of £22,222 has been made for 26/27 and is being proposed to be paid out again in 27/28.

Share Withdrawal Requests:

Share withdrawal requests
There is an allowance for the net of shares withdrawn v new shares invested to be £193,000 in 2026/27. The current budget for share withdrawals in the following year, 27/28, is £192,000. Any member wishing to request share withdrawal during 2026/27 will need to email LCG during October 2026.

- Note that, in addition to a budget of £193k for the net of shares withdrawn v new shares invested in 2026/27, there is also a budget of £192k in 2027/28 that will be put to the Board for approval in May 2027.
- Any member wishing to request share withdrawal during 2026/27 will need to email LCG during October 2026.

Approval of the accounts as presented proposal:

PROPOSAL “Members accept the 2025/26 annual accounts as presented”	 Low Carbon Gordano Community Energy for North Somerset
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- “Members accept the 2025/26 annual accounts as presented”

Appointment the auditor proposal:

PROPOSAL Note: • The current auditors are Alanbrookes Ltd • The finance policy states, “... in order to maintain good governance, the Board will carry out a formal review of the auditors' appointment at least once every five years. The review will be carried out by a group of at least three Board members, including the Treasurer.” • The auditors' appointment was reviewed during 2024-25 PROPOSAL: • “Members agree to delegate the board to appoint the auditor for the 2026-27 accounts and request that the auditor's appointment will be reviewed by the board in readiness for the 2027-28 accounts year-end work.”	 Low Carbon Gordano Community Energy for North Somerset
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