



HEL Chairman's Report – FYE 31.03.24

A highly successful year despite wind levels being lower than the previous year, but revenues still reached record levels due to the returns from the power purchase agreement the volatile market highs had allowed us to negotiate. Turnover was £726,738 compared to £641,588 achieved in the previous year. The actual generation was 2.354 GWh compared to 2.447 GWh in the 2022/23 year.

Unfortunately, the volatile export market prices and associated highs now seem to be consigned to history with the market steadily dropping to achieve record lows, from time to time even going negative in the day rate market. This downward trend is reflected in our latest PPA agreements, both for the 2025 and 2026 operating years, with the outlook beyond looking rather grim.

Operational costs, in real terms have increased from the previous years' £230k to £290k, a figure expected due to inflation and rising prices driven by the market volatility and world events in recent years.

For the 2023/24 financial year the company reported a pre-tax profit of £439k on a turnover of £759k, compared to a profit of £170k on a turnover of £636k in the previous year – disproportionately higher due to last years £195k donation to the Legacy Project.

Debts were recorded at £338k, down £159k on the previous year with a smaller change in the long term liabilities and provisions, but still down to £130k from £146k.

A donation of £168k was made to the IoHDT during the 2023/24 period, an amount it has agreed to repeat again during the current year – leaving a corporation tax exposure relevant to these financial statements in the region of £80k, however tax efficiency options are being investigated in a hope to reduce this further ahead of the 31.12.24 deadline for corporation tax accounting.

Finally, I would like extend the gratitude of the HEL board to the trustees of the IoHDT for the continued unwavering support extended to us throughout another unique year.

Maxwell Collop (Chair)
Hoy Energy Ltd

September 2024