

Registered number
7066

Greater Manchester Community Renewables Limited

Report and Accounts

31 March 2019

Greater Manchester Community Renewables Limited
Report and accounts
Contents

	Page
Society information	1
Directors' report	2
Accountants' report	3
Revenue account	4
Balance sheet	5
Statement of changes in equity	6
Notes to the accounts	7

**Greater Manchester Community Renewables Limited
Society Information**

Directors

Ali Abbas

Katherine Elizabeth Eldridge

Andrew John Fewings (Resigned 22/11/2018)

Andrew John Hunt

Hussam Al-Amin (Appointed 08/07/2018)

Graham Smith (Appointed 24/01/2019)

Secretary

Katherine Elizabeth Eldridge

Registered office

Green Fish Resource Centre

46-50 Oldham Street

Manchester

M4 1LE

Registered number

7066

Greater Manchester Community Renewables Limited

Registered number: 7066

Directors' Report

The directors present their report and accounts for the year ended 31 March 2019.

Principal activities

The Society's principal activities during the year were developing, owning and operating community-owned solar photovoltaic installations.

Directors

The following persons served as directors during the year:

Ali Abbas
Katherine Elizabeth Eldridge
Andrew John Fewings (Resigned 22/11/2018)
Andrew John Hunt
Hussam Al-Amin (Appointed 08/07/2018)
Graham Smith (Appointed 24/01/2019)

Directors' responsibilities

The law governing Registered Societies 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 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 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 they are also responsible for safeguarding the assets of the society and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reporting Criteria

This report has been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

This report was approved by the board on 29th May 2019 and is signed on its behalf by

Director's signature

Director's name

Independent Chartered Accountant's review report to the directors of Greater Manchester Community Renewables Limited

We have reviewed the accounts of Greater Manchester Community Renewables Limited for the year ended 31 March 2019, which comprise the Revenue Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

This report is made solely to the Company's directors, as a body. Our review has been undertaken so that we might state to the company's directors those matters we have agreed with them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's directors as a body for our work, for this report or the conclusions we have formed.

Directors' responsibility for the accounts

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Accountant's responsibility

Our responsibility is to express a conclusion based on our review of the accounts. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements and ICAEW Technical Release TECH 09/13AAF Assurance review engagements on historical financial statements. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

Scope of the assurance review

A review of the accounts in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these accounts.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accounts have not been prepared:

- so as to give a true and fair view of the state of the Company's affairs as at 31 March 2019, and of its profit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- in accordance with the requirements of the Companies Act 2006.

Paul Cowham
Chartered Accountant

Greater Manchester Community Renewables Limited
Revenue Account
for the year ended 31 March 2019

	Notes	2019	2018
		£	as restated
			£
Turnover		27,664	19,964
Cost of sales		6	(319)
Gross profit		<u>27,670</u>	<u>19,645</u>
Operating expenses		(19,066)	(14,677)
Other operating income	6	1,955	3,214
Operating surplus	5	<u>10,559</u>	<u>8,182</u>
Interest receivable		288	18
Surplus before taxation		<u>10,847</u>	<u>8,200</u>
Tax on surplus		-	-
Surplus for the financial year		<u>10,847</u>	<u>8,200</u>

Greater Manchester Community Renewables Limited
Balance Sheet
as at 31 March 2019

	Notes	2019 £	2018 as restated £
Fixed assets			
Tangible assets	7	223,741	160,468
Current assets			
Debtors	8	6,155	4,258
Cash at bank and in hand		40,406	27,540
		<u>46,561</u>	<u>31,798</u>
Creditors: amounts falling due within one year	9	(4,105)	(2,315)
Net current assets		<u>42,456</u>	<u>29,483</u>
Total assets less current liabilities		<u>266,197</u>	<u>189,951</u>
Creditors: amounts falling due after more than one year	10	(4,821)	(4,372)
Net assets		<u>261,376</u>	<u>185,579</u>
Capital and reserves			
Called up share capital		252,055	181,655
Retained surplus/(accumulated deficit)		9,321	3,924
Shareholders' funds		<u>261,376</u>	<u>185,579</u>

The directors are satisfied that the Society is entitled to exemption from the requirement to obtain an audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

The members have not required the Society to obtain an audit in accordance with 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.

The accounts have been prepared in accordance with the provisions in the Co-operative and Community Benefit Societies Act 2014.

Approved by the board on 29th May 2019

 Director's signature

 Director's signature

 Secretary's signature

 Director's name

 Director's name

 Secretary's name

Greater Manchester Community Renewables Limited
Statement of Changes in Equity
for the year ended 31 March 2019

	Share capital	Revenue account	Total
	£	£	£
At 1 April 2017	186,005	(4,276)	181,729
Surplus for the financial year		8,200	8,200
Shares redeemed	(4,350)		(4,350)
At 31 March 2018	<u>181,655</u>	<u>3,924</u>	<u>185,579</u>
At 1 April 2018	181,655	3,924	185,579
Surplus for the financial year		10,847	10,847
Share interest		(5,450)	(5,450)
Shares issued	73,900		73,900
Shares redeemed	(3,500)		(3,500)
At 31 March 2019	<u>252,055</u>	<u>9,321</u>	<u>261,376</u>

Greater Manchester Community Renewables Limited
Notes to the Accounts
for the year ended 31 March 2019

1 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These have remained unchanged from the previous year and have been consistently applied within the accounts.

General information

Greater Manchester Community Renewables Limited is a registered society incorporated in England within the United Kingdom. The address of the registered office is given on Page 1 of these financial statements. Greater Manchester Community Renewables Limited meets the definition of a public benefit entity under FRS102.

Basis of preparation

These financial statements are prepared under FRS 102 Section1A - small entities and there were no material departures from that standard. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents Feed-in Tariff and other electricity generating income, net of value added tax where applicable, derived from the generation of electricity from renewable energy installations.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery	5% straight line
---------------------	------------------

Taxation

There is no corporation tax due as the society has significant trading losses due to capital allowances. We do not expect the advance capital allowances to reverse later on the project due to share interest deductions, which is why no deferred tax has been provided.

Grants Received

Grants are identified as either relating to capital or relating to revenue.

Grants relating to revenue are recognised in the Revenue Account on a systematic basis over the periods in which the Society recognises the related costs for which the grant is intended to compensate.

Capital-based grants are recognised in the Revenue Account on a systematic basis over the useful economic life of the asset to match the associated depreciation charge.

Greater Manchester Community Renewables Limited
Notes to the Accounts
for the year ended 31 March 2019

2 Prior Year Adjustment

In the original accounts for the year ended 31 March 2018 an accrual for the share interest was included. We have since been advised that this doesn't meet the definition of an accrual and it has therefore been removed. The amount is material to the accounts therefore a prior year adjustment has been included.

Revenue Account Effect	
Decrease interest payable	5,450
Increase surplus before taxation	5,450

Balance Sheet Effect	
Decrease in accruals	5,450
Increase in Shareholders' fund	5,450

3 Change in accounting treatment

In these accounts interest payable on shares has been included in the Statement of Changes in Equity as required by Financial Reporting Standard 102. In the original accounts for the year ended 31 March 2018 the interest on shares was included in the Revenue Account. In these accounts the interest is included in the Statement of Changes in Equity.

4 Employees

The average monthly number of persons (including directors) employed by the society during the year was 0 (2018 - 0).

5 Operating Surplus	2019	2018
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	10,316	8,152
	10,316	8,152

6 Other Operating Income	2019	2018
	£	£
Other operating income is made up of:		
Revenue grant income	750	-
Capital grant income	263	247
Donations	-	2,599
Sundry other income	942	368
	1,955	3,214

In 2018, the Society was awarded a grant from Naturesave. The purpose of the grant was to contribute toward surveys and reports for potential new sites. The total grant was £1,500. Of this overall amount £750 was capital in nature and is being systematically released to the Revenue Account over the useful life of the asset. The balance of £750 was revenue in nature and recognised through the Revenue Account.

Greater Manchester Community Renewables Limited
Notes to the Accounts
for the year ended 31 March 2019

7 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2018	170,851
Additions	73,589
At 31 March 2019	<u>244,440</u>
Depreciation	
At 1 April 2018	10,383
Charge for the year	10,316
At 31 March 2019	<u>20,699</u>
Net book value	
At 31 March 2019	<u>223,741</u>
At 31 March 2018	<u>160,468</u>

8 Debtors	2019 £	2018 £
Trade debtors	68	354
Accrued income	4,856	3,210
Prepaid expenses	1,203	694
VAT Debtor	28	-
	<u>6,155</u>	<u>4,258</u>

9 Creditors: amounts falling due within one year	2019 £	2018 as restated £
Trade creditors	3	-
Accruals	3,817	1,806
VAT	-	262
Deferred Income	285	247
	<u>4,105</u>	<u>2,315</u>

Deferred Income is made up of grant income received from UCEF and Naturesave. This is systematically released to the Revenue Account to match the associated costs as recognised.

Greater Manchester Community Renewables Limited
Notes to the Accounts
for the year ended 31 March 2019

10 Creditors: amounts falling due after one year	2019	2018
	£	£
Deferred Income	<u>4,821</u>	<u>4,372</u>
Deferred income represents grant income to be realised as follows:		
Years 2 - 5	1,140	990
After 5 years	3,681	3,382

11 Non-adjusting post balance sheet event

The directors have decided to pay 3.5% (£6,235) share interest on Ordinary shares (issued in 2016) and 0% share interest on Ordinary 2018 shares.

Greater Manchester Community Renewables Limited
Detailed Revenue Account
for the year ended 31 March 2019

	2019	2018
	£	£
Sales		
Feed-in tariff	15,284	11,816
Export to grid	2,463	1,420
On-site electricity usage	9,722	6,728
Embedded Benefits	195	-
	<u>27,664</u>	<u>19,964</u>
 Cost of sales		
Monitoring	69	10
Feed-in tariff admin	(75)	125
Good Energy standing charge	-	184
	<u>(6)</u>	<u>319</u>
 Operating expenses		
Administrative charge	3,557	3,416
Advertising and promotion	150	-
Stationery and printing	150	89
Subscriptions	242	71
Bank charges	72	72
Insurance	1,780	1,437
Equipment expensed	6	300
Repairs and maintenance	-	690
Depreciation	10,316	8,152
Accountancy fees	300	300
Legal fees	1,065	-
Other professional fees	1,428	150
	<u>19,066</u>	<u>14,677</u>
 Other operating income		
Grant income	1,013	247
Donations received	-	2,599
Other income	942	368
	<u>1,955</u>	<u>3,214</u>