

Registered number
7066

Greater Manchester Community Renewables Limited

Report and Accounts

31 March 2023

Greater Manchester Community Renewables Limited
Report and accounts
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**Greater Manchester Community Renewables Limited
Society Information**

Directors

Ali Abbas
Katherine Eldridge
Andrew Hunt (resigned 05/02/2023)
Hussam Al-Amin (resigned 31/03/2023)
Helen Filby

Secretary

Katherine Eldridge

Accountants

Third Sector Accountancy Limited
Holyoake House
Hanover Street
Manchester
M60 0AS

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 2023.

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 Eldridge
Andrew Hunt (resigned 05/02/2023)
Hussam Al-Amin (resigned 31/03/2023)
Helen Filby

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 _____ and is signed on its behalf by

Director's signature

Director's name

Greater Manchester Community Renewables Limited
Independent Chartered Accountants' Review Report
For The Year Ended 31 March 2023

We have reviewed the financial statements of Greater Manchester Community Renewables Limited for the year ended 31 March 2023 which comprise the Revenue Account, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. 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).

Directors' Responsibility for the Financial Statements

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Accountants' Responsibility

Our responsibility is to express a conclusion on the financial statements. 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 (Revised) Assurance review engagements on historical financial statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with the applicable financial reporting framework. ISRE 2400 (Revised) also requires us to comply with the ICAEW Code of Ethics.

Scope of the Assurance Review

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed procedures, primarily consisting 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). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

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

- so as to give a true and fair view of the state of the society's affairs as at 31 March 2023 and of its surplus for the year then ended;
- in accordance with applicable accounting standards; and
- in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Use of our report

This report is made solely to the society's members, as a body, in accordance with the terms of our engagement letter dated 8 July 2020. Our review work has been undertaken so that we might state to the society's members those matters we have agreed to state to them in a reviewer's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members as a body, for our review work, for this report, or for the conclusions we have formed.

Third Sector Accountancy Limited
Chartered Accountants and Registered Auditors

Holyoake House
Hanover Street
Manchester
M60 0AS

Greater Manchester Community Renewables Limited
Revenue Account
for the year ended 31 March 2023

	Notes	2023 £	2022 £
Turnover		71,061	51,679
Cost of sales		(443)	(385)
Gross surplus		<u>70,618</u>	<u>51,294</u>
Operating expenses		(29,424)	(29,923)
Other operating income	4	15,249	2,145
Operating surplus	3	<u>56,443</u>	<u>23,516</u>
Community fund		-	(7,000)
Interest receivable		1,147	227
Surplus before taxation		<u>57,590</u>	<u>16,743</u>
Tax on surplus	5	(22,073)	-
Surplus for the financial year		<u>35,517</u>	<u>16,743</u>

Greater Manchester Community Renewables Limited
Balance Sheet
as at 31 March 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	6	260,700	278,159
Current assets			
Debtors	7	30,479	20,124
Cash at bank and in hand		148,693	96,481
		<u>179,172</u>	<u>116,605</u>
Creditors: amounts falling due within one year	8	(3,975)	(5,358)
Net current assets		<u>175,197</u>	<u>111,247</u>
Total assets less current liabilities		<u>435,897</u>	<u>389,406</u>
Creditors: amounts falling due after more than one year	9	(3,681)	(3,966)
Provisions for liabilities	11	(22,073)	-
Net assets		<u>410,143</u>	<u>385,440</u>
Capital and reserves			
Share capital	10	330,655	332,155
Revenue account		79,488	53,285
Shareholders' funds		<u>410,143</u>	<u>385,440</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 _____

 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 2023

	Notes	Share capital	Community Fund	Revenue account	Total
		£	£	£	£
At 1 April 2021		338,455	9,000	35,964	383,419
Surplus for the financial year				16,743	16,743
Donations to local community			(7,000)	7,000	-
Transfer to community fund			8,000	(8,000)	-
Share interest				(8,422)	(8,422)
Shares withdrawn		(6,300)			(6,300)
At 31 March 2022		<u>332,155</u>	<u>10,000</u>	<u>43,285</u>	<u>385,440</u>
At 1 April 2022		332,155	10,000	43,285	385,440
Surplus for the financial year				35,517	35,517
Transfer to community fund			9,000	(9,000)	-
Share interest				(9,314)	(9,314)
Shares withdrawn		(1,500)			(1,500)
At 31 March 2023		<u>330,655</u>	<u>19,000</u>	<u>60,488</u>	<u>410,143</u>

The community fund is money pledged by the society to benefit the local community, but has not been paid out yet.

Greater Manchester Community Renewables Limited
Notes to the Accounts
for the year ended 31 March 2023

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 Section 1A - 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
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Deferred Taxation

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Operating leases

Rents applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the revenue account as incurred. Where legal fees are incurred in agreeing operating leases, these are prepaid and released to the revenue account over the period of the lease. In the case of the leases of roof airspace, the rents are negligible and so the only costs charged to the revenue account are the amortised legal costs.

Greater Manchester Community Renewables Limited
Notes to the Accounts
for the year ended 31 March 2023

Government grants or assistance

Government grants are recognised in the income and expenditure account in an appropriate manner that matches them with the expenditure towards which they are intended to contribute. Grants for immediate financial support or to cover costs already incurred are recognised immediately in the income and expenditure account. Grants towards general activities of the entity over a specific period are recognised in the income and expenditure account over that period.

Grants towards fixed assets are recognised over the expected useful lives of the related assets and are treated as deferred income and released to the income and expenditure account over the useful life of the asset concerned.

All grants in the income and expenditure account are recognised when all conditions for receipt have been complied with.

Non-Government grants

Non-government grants and donations are recognised in the income and expenditure account once the entity has become entitled to the funds.

2 Employees

The average monthly number of persons (including directors) employed by the society during the year was 0 (2022 - 0)

3 Operating surplus	2023	2022
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	17,459	17,459
	<u>17,459</u>	<u>17,459</u>
 4 Other operating income	 2023	 2022
	£	£
Other operating income is made up of:		
Revenue grant income	14,950	14,950
Capital grant income amortised	285	285
Donations	-	1,700
Other income	14	-
	<u>15,249</u>	<u>16,935</u>

Revenue grant income in both years comprises a grant from Electricity North West for a project to provide energy saving advice.

Other income is a goodwill payment from Good Energy for charging FiT admin in error.

5 Tax on Surplus	2023	2022
	£	£
The tax charge on the surplus after interest is as follows:		
UK Deferred Taxation	22,073	-
	<u>22,073</u>	<u>-</u>

Greater Manchester Community Renewables Limited
Notes to the Accounts
for the year ended 31 March 2023

6 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2022	347,120
At 31 March 2023	<u>347,120</u>
Depreciation	
At 1 April 2022	68,961
Charge for the year	17,459
At 31 March 2023	<u>86,420</u>
Net book value	
At 31 March 2023	<u>260,700</u>
At 31 March 2022	<u>278,159</u>

7 Debtors

	2023 £	2022 £
Trade debtors	5,701	1,401
Accrued income	12,441	5,933
Prepaid expenses	1,700	1,441
Other debtors	10,637	11,349
	<u>30,479</u>	<u>20,124</u>

8 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	170	4
Accruals	3,151	4,807
VAT	369	262
Deferred income	285	285
	<u>3,975</u>	<u>5,358</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 2023

9 Creditors: amounts falling due after one year	2023	2022
	£	£
Deferred income	<u>3,681</u>	<u>3,966</u>
Deferred income represents grant income to be realised as follows:		
Years 2 - 5	1,140	1,140
After 5 years	2,541	2,826

10 Share Capital	2023	2022
	£	£
Members' Shares	<u>330,655</u>	<u>332,155</u>

All shares have a nominal value of £1 and cannot be transferred. Shares may be withdrawn at par at the discretion of the board. Interest may be paid on shares at the discretion of the board. Shares do not entitle the shareholder to the assets in the event of a winding up, but shareholders are entitled to attend and vote at the Annual General Meeting.

11 Provision for Liabilities	2023	2022
	£	£
Deferred Taxation		
Brought forward	-	-
Charged in the year	22,073	-
Carried forward	22,073	-

12 Non-adjusting post balance sheet event

The directors have decided to pay 4.5% share interest on Ordinary shares (issued in 2016), 3% share interest on 2018 Ordinary shares and 3% share interest on Ordinary 2019 shares.

Greater Manchester Community Renewables Limited
Detailed Revenue Account
for the year ended 31 March 2023

	2023	2022
	£	£
Sales		
Feed-in Tariff	22,378	22,129
Export to grid	6,331	5,384
On-site electricity usage	41,419	23,870
Embedded Benefits	933	296
	<u>71,061</u>	<u>51,679</u>
 Cost of sales		
Monitoring	468	385
Feed-in Tariff admin	(25)	-
	<u>443</u>	<u>385</u>
 Operating expenses		
Administrative charge	4,081	3,866
Subscriptions	187	140
Bank charges	136	113
Insurance	2,635	2,418
Energy saving advice	2,564	4,489
Repairs and maintenance	1,350	426
Depreciation	17,459	17,459
Accountancy fees	300	300
Legal fees	712	712
	<u>29,424</u>	<u>29,923</u>
 Other operating income		
Grant income	15,235	285
Donations received	-	1,500
Other income	14	360
	<u>15,249</u>	<u>2,145</u>