

**Halton Lune Hydro Limited**

**Report of the Directors and**

**Unaudited Financial Statements for the Year Ended 31 December 2017**

RfM Fylde Limited  
Summerdale  
Head Dyke Lane  
Pilling  
Preston  
Lancashire  
PR3 6SJ

# Halton Lune Hydro Limited

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**Halton Lune Hydro Limited**  
**Company Information**  
**for the Year Ended 31 December 2017**

**Directors:** Mr J Blowes (Chairman)  
Mr A Denham  
Mr K Frea  
Mr B Jefferson

**Secretary:** Mr B Jefferson

**Registered office:** Rectory Cottages  
Foundry Lane  
Halton  
Lancaster  
LA2 6LT

**Registered number:** 32233R (England and Wales)

**Accountants:** RfM Fylde Limited  
Summerdale  
Head Dyke Lane  
Pilling  
Preston  
Lancashire  
PR3 6SJ

## **Halton Lune Hydro Limited**

### **Report of the Directors for the Year Ended 31 December 2017**

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

#### **Principal activity**

The principal activity of the society is the development and management of renewal energy sources.

#### **Directors**

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

Mr J Blowes (Chairman)

Mr A Denham

Mr K Frea

Mr B Jefferson

#### **Donations**

During the year donations of £5,000 were made to the Halton Lune Trust.

#### **On behalf of the board:**

Mr J Blowes (Chairman) - Director

20 February 2018

**Halton Lune Hydro Limited**

**Report of the Accountants to the Directors of  
Halton Lune Hydro Limited**

We report on the accounts for the year ended 31 December 2017 set out on pages 4 to 10.

**Respective responsibilities of the directors and the independent reporting accountant**

The society's directors are responsible for the preparation of the accounts, and they consider that the society is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

**Basis of opinion**

Our procedures consisted of comparing the accounts with the books of account kept by the society and making such limited enquiries of the officers of the society as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

**Opinion**

In our opinion:

- the revenue account and balance sheet for the year ended 31 December 2017 are in agreement with the books of account kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014;
- having regard only to, and on the basis of the information contained in the books of account, the revenue account and balance sheet for the year ended 31 December 2017 comply with requirements of the Co-operative and Community Benefit Societies Act 2014; and
- the society met the financial criteria enabling it to disapply the requirement to have an audit of the accounts for the year specified in section 84 of the Co-operative and Community Benefit Societies Act 2014

RfM Fylde Limited  
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20 February 2018

## Halton Lune Hydro Limited

### Profit and Loss Account (Revenue account) for the Year Ended 31 December 2017

	Notes	Year Ended 31/12/17 £	Period 1/10/15 to 31/12/16 £
<b>Turnover</b>		187,390	220,115
Administrative expenses		<u>106,182</u>	<u>101,707</u>
<b>Operating profit</b>	4	81,208	118,408
Interest receivable and similar income		<u>405</u>	<u>265</u>
		81,613	118,673
Interest payable and similar expenses		<u>56,941</u>	<u>4,824</u>
<b>Profit before taxation</b>		24,672	113,849
Tax on profit	5	<u>7,044</u>	<u>20,468</u>
<b>Profit for the financial year</b>		<u><u>17,628</u></u>	<u><u>93,381</u></u>

The notes form part of these financial statements

**Halton Lune Hydro Limited (Registered number: 32233R)**

**Balance Sheet  
31 December 2017**

		2017		2016	
Notes	£	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		1,287,709		1,329,978
<b>Current assets</b>					
Debtors	7	77,602		63,239	
Cash at bank		<u>124,442</u>		<u>103,035</u>	
		202,044		166,274	
<b>Creditors</b>					
Amounts falling due within one year	8	<u>5,973</u>		<u>6,066</u>	
<b>Net current assets</b>			<u>196,071</u>		<u>160,208</u>
<b>Total assets less current liabilities</b>			1,483,780		1,490,186
<b>Provisions for liabilities</b>	9		<u>27,381</u>		<u>20,415</u>
<b>Net assets</b>			<u><u>1,456,399</u></u>		<u><u>1,469,771</u></u>
<b>Capital and reserves</b>					
Called up share capital	10		1,392,535		1,423,535
Retained earnings	11		<u>63,864</u>		<u>46,236</u>
<b>Shareholders' funds</b>			<u><u>1,456,399</u></u>		<u><u>1,469,771</u></u>

The directors acknowledge their responsibilities for:

- (i) ensuring that the society keeps proper accounting records which comply with section 75 of the Co-operative and Community Benefit Societies Act 2014,
- (ii) establishing and maintaining a satisfactory system of its books of accounts, its cash holdings and all its receipts and remittances in order to comply with section 75(3) of the Act, and
- (iii) preparing financial statements which give a true and fair view of the state of affairs of the society as at the end of the financial year and of its profit for the financial year in accordance with the requirements of section 80, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the society.

The financial statements have been prepared in accordance with the Co-operative and Community Benefit Society Act 2014 and with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The financial statements were approved by the Board of Directors on 20 February 2018 and were signed on its behalf by:

Mr J Blowes (Chairman)

Mr A Denham (Director)

Mr B Jefferson (Secretary)

The notes form part of these financial statements

## Halton Lune Hydro Limited

### Statement of Changes in Equity for the Year Ended 31 December 2017

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 October 2015</b>	1,423,535	(47,145)	1,376,390
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>93,381</u>	<u>93,381</u>
<b>Balance at 31 December 2016</b>	<u>1,423,535</u>	<u>46,236</u>	<u>1,469,771</u>
<b>Changes in equity</b>			
Repayment of share capital	(31,000)	-	(31,000)
Total comprehensive income	<u>-</u>	<u>17,628</u>	<u>17,628</u>
<b>Balance at 31 December 2017</b>	<u><u>1,392,535</u></u>	<u><u>63,864</u></u>	<u><u>1,456,399</u></u>

The notes form part of these financial statements



## Halton Lune Hydro Limited

### Notes to the Financial Statements for the Year Ended 31 December 2017

#### 1. Statutory information

Halton Lune Hydro Limited is a private company, limited by shares, registered under the Co-operative and Community Benefit Societies Act 2014 in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The company is a Public Benefit Entity.

#### 2. Accounting policies

##### Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The financial statements have been prepared under the historical cost convention.

##### Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

##### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Hydro-electric Power-station	- 2% on cost
Plant and machinery	- 5% on cost
Tools and equipment	- 15% on reducing balance

##### Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account (Revenue account), except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

##### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

## Halton Lune Hydro Limited

### Notes to the Financial Statements - continued for the Year Ended 31 December 2017

#### 3. Employees and directors

The average monthly number of employees during the year was as follows:

	Year Ended 31/12/17	Period 1/10/15 to 31/12/16
Directors	<u>4</u>	<u>4</u>

#### 4. Operating profit

The operating profit is stated after charging:

	Year Ended 31/12/17 £	Period 1/10/15 to 31/12/16 £
Depreciation - owned assets	<u>45,163</u>	<u>56,031</u>

#### 5. Taxation

##### Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	Year Ended 31/12/17 £	Period 1/10/15 to 31/12/16 £
Current tax: UK corporation tax	78	53
Deferred tax	<u>6,966</u>	<u>20,415</u>
Tax on profit	<u>7,044</u>	<u>20,468</u>

UK corporation tax has been charged at 20%/19% (2016 20%).

## Halton Lune Hydro Limited

### Notes to the Financial Statements - continued for the Year Ended 31 December 2017

6.	<b>Tangible fixed assets</b>	Hydro-electric Power-station £	Plant and machinery £	Tools and equipment £	Totals £
	<b>Cost</b>				
	At 1 January 2017	888,531	513,903	10,379	1,412,813
	Additions	<u>-</u>	<u>-</u>	<u>2,894</u>	<u>2,894</u>
	At 31 December 2017	<u>888,531</u>	<u>513,903</u>	<u>13,273</u>	<u>1,415,707</u>
	<b>Depreciation</b>				
	At 1 January 2017	35,534	45,338	1,963	82,835
	Charge for year	<u>17,771</u>	<u>25,695</u>	<u>1,697</u>	<u>45,163</u>
	At 31 December 2017	<u>53,305</u>	<u>71,033</u>	<u>3,660</u>	<u>127,998</u>
	<b>Net book value</b>				
	At 31 December 2017	<u>835,226</u>	<u>442,870</u>	<u>9,613</u>	<u>1,287,709</u>
	At 31 December 2016	<u>852,997</u>	<u>468,565</u>	<u>8,416</u>	<u>1,329,978</u>
7.	<b>Debtors: amounts falling due within one year</b>			2017 £	2016 £
	Trade debtors			71,573	60,923
	Other debtors			600	600
	Prepayments			<u>5,429</u>	<u>1,716</u>
				<u>77,602</u>	<u>63,239</u>
8.	<b>Creditors: amounts falling due within one year</b>			2017 £	2016 £
	Trade creditors			7,607	5,319
	Corporation tax			78	53
	Social security and other taxes			(2,542)	(3,193)
	Other creditors			80	-
	Accrued expenses			<u>750</u>	<u>3,887</u>
				<u>5,973</u>	<u>6,066</u>
9.	<b>Provisions for liabilities</b>			2017 £	2016 £
	Deferred tax				
	Accelerated capital allowances			84,216	93,142
	Tax losses carried forward			<u>(56,835)</u>	<u>(72,727)</u>
				<u>27,381</u>	<u>20,415</u>

**Halton Lune Hydro Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017**

**9. Provisions for liabilities - continued**

	Deferred tax £
Balance at 1 January 2017	20,415
Charge to Revenue account during year	<u>6,966</u>
Balance at 31 December 2017	<u><u>27,381</u></u>

**10. Called up share capital**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2017	2016
			£	£
1,392,535	Ordinary	£1	<u>1,392,535</u>	<u>1,423,535</u>

During the year the society had the following number of members:

	2017	2016
Members at beginning of year	472	472
Members ceased during year	(4)	0
Members admitted during year	<u>0</u>	<u>0</u>
Members at end of year	<u><u>468</u></u>	<u><u>472</u></u>

**11. Reserves**

	Retained earnings £
At 1 January 2017	46,236
Profit for the year	<u>17,628</u>
At 31 December 2017	<u><u>63,864</u></u>

## Halton Lune Hydro Limited

### Profit and Loss Account for the Year Ended 31 December 2017

	Year Ended 31/12/17		Period 1/10/15 to 31/12/16	
	£	£	£	£
<b>Turnover</b>				
Energy income	37,415		34,317	
Feed in Tariffs	146,838		137,660	
Insurance claim	<u>3,137</u>		<u>48,138</u>	
		187,390		220,115
<b>Other income</b>				
Deposit account interest		<u>405</u>		<u>265</u>
		187,795		220,380
<b>Expenditure</b>				
Rent	1,448		4,177	
Rates	7,880		262	
Insurance	1,808		6,103	
Telephone	295		503	
Post and stationery	755		98	
Advertising	217		544	
Travelling and room hire	516		1,520	
Repairs and maintenance	28,208		16,037	
Operation and maintenance fees	13,411		14,117	
Sundry expenses	618		406	
Accountancy	750		750	
Donations	5,000		-	
Depreciation of tangible fixed assets				
Freehold property	17,771		22,223	
Plant and machinery	25,695		32,119	
Fixtures and fittings	1,696		1,691	
Profit/loss on sale of tangible fixed assets	<u>-</u>		<u>1,099</u>	
		<u>106,068</u>		<u>101,649</u>
		81,727		118,731
<b>Finance costs</b>				
Bank charges	114		58	
Loan interest	-		4,824	
Members dividends	<u>56,941</u>		<u>-</u>	
		<u>57,055</u>		<u>4,882</u>
<b>Net profit</b>		<u><u>24,672</u></u>		<u><u>113,849</u></u>

This page does not form part of the statutory financial statements

