

**Halton Lune Hydro Limited**

**Report of the Directors and**

**Unaudited Financial Statements for the Year Ended 31 December 2018**

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 2018**

**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 2018**

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

**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 2018 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 £6,200 were made to the Halton Lune Trust.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**On behalf of the board:**

Mr J Blowes (Chairman)

12 February 2019

**Chartered Accountants' Report to the Board of Directors  
on the Unaudited Financial Statements of  
Halton Lune Hydro Limited**

We report on the accounts for the period ended 31 December 2018 set out on pages 4 to 11.

**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 period ended 31 December 2018 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 period ended 31 December 2018 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 period specified in section 84 of the Co-operative and Community Benefit Societies Act 2014.

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

12 February 2019

## Halton Lune Hydro Limited

### Profit and Loss Account (Revenue account) for the Year Ended 31 December 2018

	Notes	2018 £	2017 £
<b>Turnover</b>		173,500	187,390
Administrative expenses		<u>101,598</u>	<u>106,182</u>
		71,902	81,208
Other operating income		<u>3,000</u>	<u>-</u>
<b>Operating profit</b>	4	74,902	81,208
Interest receivable and similar income		<u>672</u>	<u>405</u>
		75,574	81,613
Interest payable and similar expenses		<u>47,487</u>	<u>56,941</u>
<b>Profit before taxation</b>		28,087	24,672
Tax on profit	5	<u>8,672</u>	<u>7,044</u>
<b>Profit for the financial year</b>		<u><u>19,415</u></u>	<u><u>17,628</u></u>

The notes form part of these financial statements

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

**Balance Sheet  
31 December 2018**

		2018		2017	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		1,242,801		1,287,709
<b>Current assets</b>					
Debtors	7	32,392		77,602	
Cash at bank		<u>151,812</u>		<u>124,442</u>	
			184,204		202,044
<b>Creditors</b>					
Amounts falling due within one year	8	<u>5,774</u>		<u>5,973</u>	
<b>Net current assets</b>			<u>178,430</u>		<u>196,071</u>
<b>Total assets less current liabilities</b>			1,421,231		1,483,780
<b>Provisions for liabilities</b>	9		<u>35,967</u>		<u>27,381</u>
<b>Net assets</b>			<u><u>1,385,264</u></u>		<u><u>1,456,399</u></u>
<b>Capital and reserves</b>					
Called up share capital	10		1,301,985		1,392,535
Retained earnings	11		<u>83,279</u>		<u>63,864</u>
<b>Shareholders' funds</b>			<u><u>1,385,264</u></u>		<u><u>1,456,399</u></u>

The notes form part of these financial statements

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

**Balance Sheet - continued  
31 December 2018**

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 12 February 2019 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 2018

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2017</b>	1,423,535	46,236	1,469,771
<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>1,392,535</u>	<u>63,864</u>	<u>1,456,399</u>
<b>Changes in equity</b>			
Repayment of share capital	(90,550)	-	(90,550)
Total comprehensive income	<u>-</u>	<u>19,415</u>	<u>19,415</u>
<b>Balance at 31 December 2018</b>	<u><u>1,301,985</u></u>	<u><u>83,279</u></u>	<u><u>1,385,264</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 2018

#### 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 2018

#### 3. Employees and directors

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

	2018	2017
Directors	<u>4</u>	<u>4</u>

#### 4. Operating profit

The operating profit is stated after charging:

	2018	2017
	£	£
Depreciation - owned assets	<u>44,908</u>	<u>45,163</u>

#### 5. Taxation

##### Analysis of the tax charge

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

	2018	2017
	£	£
Current tax:		
UK corporation tax	128	78
Adjustment in respect of prior period	<u>(42)</u>	<u>-</u>
Total current tax	86	78
Deferred tax	<u>8,586</u>	<u>6,966</u>
Tax on profit	<u>8,672</u>	<u>7,044</u>

UK corporation tax has been charged at 19% (2017 20%/19%).

#### 6. Tangible fixed assets

	Hydro-electric Power-station £	Plant and machinery £	Tools and equipment £	Totals £
<b>Cost</b>				
At 1 January 2018 and 31 December 2018	<u>888,531</u>	<u>513,903</u>	<u>13,273</u>	<u>1,415,707</u>
<b>Depreciation</b>				
At 1 January 2018	53,305	71,033	3,660	127,998
Charge for year	<u>17,771</u>	<u>25,695</u>	<u>1,442</u>	<u>44,908</u>
At 31 December 2018	<u>71,076</u>	<u>96,728</u>	<u>5,102</u>	<u>172,906</u>
<b>Net book value</b>				
At 31 December 2018	<u>817,455</u>	<u>417,175</u>	<u>8,171</u>	<u>1,242,801</u>
At 31 December 2017	<u>835,226</u>	<u>442,870</u>	<u>9,613</u>	<u>1,287,709</u>

**Halton Lune Hydro Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018**

7.	<b>Debtors: amounts falling due within one year</b>		2018	2017
			£	£
	Trade debtors		29,083	71,573
	Other debtors		600	600
	Prepayments		<u>2,709</u>	<u>5,429</u>
			<u>32,392</u>	<u>77,602</u>
8.	<b>Creditors: amounts falling due within one year</b>		2018	2017
			£	£
	Trade creditors		5,033	7,607
	Corporation tax		128	78
	Social security and other taxes		(247)	(2,542)
	Other creditors		80	80
	Accrued expenses		<u>780</u>	<u>750</u>
			<u>5,774</u>	<u>5,973</u>
9.	<b>Provisions for liabilities</b>		2018	2017
			£	£
	Deferred tax			
	Accelerated capital allowances		79,376	84,216
	Tax losses carried forward		<u>(43,409)</u>	<u>(56,835)</u>
			<u>35,967</u>	<u>27,381</u>
				Deferred tax
				£
	Balance at 1 January 2018			27,381
	Charge to Income Statement during year			<u>8,586</u>
	Balance at 31 December 2018			<u>35,967</u>
10.	<b>Called up share capital</b>			
	Allotted, issued and fully paid:			
	Number:	Class:	2018	2017
			£	£
	1,301,985	Ordinary	1	1
			<u>1,301,985</u>	<u>1,392,535</u>

## Halton Lune Hydro Limited

### Notes to the Financial Statements - continued for the Year Ended 31 December 2018

#### 10. Called up share capital - continued

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

	2018	2017
Members at beginning of year	365	369
Members ceased during year	(22)	(4)
Members admitted during year	<u>0</u>	<u>0</u>
Members at end of year	<u><u>343</u></u>	<u><u>365</u></u>

#### 11. Reserves

	Retained earnings £
At 1 January 2018	63,864
Profit for the year	<u>19,415</u>
At 31 December 2018	<u><u>83,279</u></u>

## Halton Lune Hydro Limited

### Detailed Profit and Loss Account for the Year Ended 31 December 2018

	2018		2017	
	£	£	£	£
<b>Turnover</b>				
Energy income	37,045		37,415	
Feed in Tariffs	134,964		146,838	
Insurance claim	-		3,137	
Work done	<u>1,491</u>		<u>-</u>	
		173,500		187,390
<b>Other income</b>				
Donation	3,000		-	
Deposit account interest	<u>672</u>		<u>405</u>	
		<u>3,672</u>		<u>405</u>
		177,172		187,795
<b>Expenditure</b>				
Rent	2,500		1,448	
Rates	3,723		7,880	
Insurance	1,714		1,808	
Telephone	320		295	
Post and stationery	-		755	
Advertising	-		217	
Travelling and room hire	54		516	
Repairs and maintenance	35,161		28,208	
Operation and maintenance fees	5,552		13,411	
Sundry expenses	675		618	
Accountancy	780		750	
Donations	6,200		5,000	
Depreciation of tangible fixed assets				
Freehold property	17,771		17,771	
Plant and machinery	25,695		25,695	
Fixtures and fittings	<u>1,442</u>		<u>1,696</u>	
		<u>101,587</u>		<u>106,068</u>
		75,585		81,727
<b>Finance costs</b>				
Bank charges	11		114	
Members dividends	<u>47,487</u>		<u>56,941</u>	
		<u>47,498</u>		<u>57,055</u>
<b>Net profit</b>		<u><u>28,087</u></u>		<u><u>24,672</u></u>

This page does not form part of the statutory financial statements