

**CWM ARIAN RENEWABLE ENERGY LIMITED
DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

Cwm Arian Renewable Energy Limited
Directors' Report and Unaudited Financial Statements
For the year ended 30 September 2019

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Cwm Arian Renewable Energy Limited
Society Information
For the year ended 30 September 2019

Directors	Dr Tomos Morgan Mr Daniel Blackburn Ms Holly Cross Mr Cristoffer Tomos
Secretary	Ms Holly Cross
Society Number	31380R
Registered Office	Hermon Community Resource Centre Hermon Glogue Pembrokeshire SA36 0DT
Accountants	Third Sector Accountancy Limited Chartered Accountants and Registered Auditors Holyoake House Hanover Street Manchester M60 0AS

Cwm Arian Renewable Energy Limited
Society No. 31380R
Directors' Report For the year ended 30 September 2019

The directors present their report and the financial statements for the year ended 30 September 2019.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Society law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Society law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of the profit or loss of the Society for that period. In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who held office during the year were as follows:

Dr Tomos Morgan

Mr Daniel Blackburn

Ms Holly Cross

Mr Cristoffer Tomos

By order of the board

.....

Date

Cwm Arian Renewable Energy Limited
Accountant's Report
For the year ended 30 September 2019

Chartered Accountant's report to the directors on the preparation of the unaudited statutory accounts of Cwm Arian Renewable Energy Limited For the year ended 30 September 2019

In order to assist you to fulfil your duties under the Co-operative and Community Benefit Societies Act 2014, I have prepared for your approval the accounts of Cwm Arian Renewable Energy Limited For the year ended 30 September 2019 which comprise the Revenue Account, the Balance Sheet and the related notes from the Society's accounting records and from information and explanations you have given to us.

As a practising member of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the directors of Cwm Arian Renewable Energy Limited, as a body, in accordance with the terms of our engagement letter dated 25 March 2019. Our work has been undertaken solely to prepare for your approval the accounts of Cwm Arian Renewable Energy Limited and state those matters that we have agreed to state to the directors of Cwm Arian Renewable Energy Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cwm Arian Renewable Energy Limited and its directors, as a body, for our work or for this report.

It is your duty to ensure that Cwm Arian Renewable Energy Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit or loss of Cwm Arian Renewable Energy Limited. You consider that Cwm Arian Renewable Energy Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit of the accounts of Cwm Arian Renewable Energy Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

.....

Date
Third Sector Accountancy Limited
Chartered Accountants and Registered Auditors
Holyoake House
Hanover Street
Manchester
M60 0AS

Cwm Arian Renewable Energy Limited
Revenue Account
For the year ended 30 September 2019

	Notes	2019 £	2018 £
TURNOVER		27,312	26,870
Cost of sales		-	-
GROSS PROFIT		27,312	26,870
Administrative expenses		(39,445)	(26,840)
OPERATING PROFIT/(LOSS) AND PROFIT/(LOSS) FOR THE FINANCIAL YEAR		(12,133)	30

The notes on pages 6 to 9 form part of these financial statements.

Cwm Arian Renewable Energy Limited
Balance Sheet
As at 30 September 2019

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	3		1,205,250		49,412
			1,205,250		49,412
CURRENT ASSETS					
Debtors	4	68,230		8,413	
Cash at bank and in hand		141,113		16,508	
			209,343		24,921
Creditors: Amounts Falling Due Within One Year	5		(25,632)		(19,453)
NET CURRENT ASSETS (LIABILITIES)			183,711		5,468
TOTAL ASSETS LESS CURRENT LIABILITIES			1,388,961		54,880
Creditors: Amounts Falling Due After More Than One Year	6		(1,401,051)		(54,837)
NET ASSETS			(12,090)		43
CAPITAL AND RESERVES					
Called up share capital	8		4		4
Revenue Account			(12,094)		39
SHAREHOLDERS' FUNDS			(12,090)		43

The notes on pages 6 to 9 form part of these financial statements.

For the year ending 30 September 2019 the society was entitled to disapply the requirement to have its financial statements for the financial year audited. The members passed a resolution in general meeting to disapply the audit requirement, as required by S84(2) Co-operative and Community Benefit Societies Act 2014.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the board on _____ and signed on their behalf by:

(Holly Cross, Director)

(Daniel Blackburn, Director)

(Cristoffer Tomos, Secretary)

Cwm Arian Renewable Energy Limited
Notes to the Financial Statements
For the year ended 30 September 2019

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Co-operative and Community Benefit Societies Act 2014. The society is a Public Benefit Entity as defined by FRS102.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes grants receivable and revenue earned from the rendering of consultancy services. Turnover is reduced for estimated rebates and other similar allowances.

Grants receivable

Grant income of a revenue nature is credited to the income statement as the related expenditure is incurred.

Grants for the purchase of fixed assets are treated as deferred income and are credited to the income statement by instalments over the expected useful economic life of the related assets, on a basis consistent with the depreciation policy.

1.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided when the assets are in use, at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases. Interest on development loans has been capitalised, and the total amount capitalised at the balance sheet date was £19,540 (2018: Nil).

No depreciation has been charged in the period on plant and equipment as the assets have not yet been brought into use.

Freehold	not depreciated (land)
Plant & Machinery	4% straight line
Computer Equipment	25% straight line

2. Average Number of Employees

Average number of employees, including directors, during the year was two (2018: two).

Cwm Arian Renewable Energy Limited
Notes to the Financial Statements (continued)
For the year ended 30 September 2019

3. Tangible Assets

	Land & Property			
	Freehold	Plant & Machinery	Computer Equipment	Total
	£	£	£	£
Cost				
As at 1 October 2018	-	49,412	-	49,412
Additions	44,933	1,110,758	196	1,155,887
As at 30 September 2019	<u>44,933</u>	<u>1,160,170</u>	<u>196</u>	<u>1,205,299</u>
Depreciation				
As at 1 October 2018	-	-	-	-
Provided during the period	-	-	49	49
As at 30 September 2019	<u>-</u>	<u>-</u>	<u>49</u>	<u>49</u>
Net Book Value				
As at 30 September 2019	<u>44,933</u>	<u>1,160,170</u>	<u>147</u>	<u>1,205,250</u>
As at 1 October 2018	<u>-</u>	<u>49,412</u>	<u>-</u>	<u>49,412</u>

4. Debtors

	2019	2018
	£	£
Due within one year		
Trade debtors	776	-
Prepayments and accrued income	7,360	-
Other debtors	60,094	8,413
	<u>68,230</u>	<u>8,413</u>

Cwm Arian Renewable Energy Limited
Notes to the Financial Statements (continued)
For the year ended 30 September 2019

5. Creditors: Amounts Falling Due Within One Year

	2019	2018
	£	£
Pension contributions	146	108
Bank loans and overdrafts	18,553	-
Other taxes and social security	-	430
Revenue grant funding unspent	-	16,550
Accruals and deferred income	750	2,365
Capital grants	6,183	-
	<u>25,632</u>	<u>19,453</u>

6. Creditors: Amounts Falling Due After More Than One Year

	2019	2018
	£	£
Bank loans	1,252,661	-
Capital grants	148,390	54,837
	<u>1,401,051</u>	<u>54,837</u>

Of the creditors falling due within and after more than one year the following amounts are due after more than five years.

	2019	2018
	£	£
Bank loans and overdrafts	1,091,545	-

7. Secured Creditors

Of the creditors falling due within and after more than one year the following amounts are secured by way of a mortgage over the leasehold land held by the Society, the plant and equipment on it, and the benefit of business contracts entered into by the society.

	2019	2018
	£	£
Bank loans and overdrafts	1,266,068	-

8. Share Capital

	2019	2018
Ordinary shares	<u>4</u>	<u>4</u>

Cwm Arian Renewable Energy Limited
Notes to the Financial Statements (continued)
For the year ended 30 September 2019

9. Other Commitments

At the balance sheet date the Society had agreed an option on a lease for land required for the wind turbine installation. The option took effect on 4 February 2019, and the lease on 2nd May 2019 with guaranteed rent payable of £5,000 pa from 3 months after commissioning of the wind turbine, subject to annual review. The term is 26 years. The turbine was commissioned on 29th November 2019.

There is a break clause permitting the society as tenant to give six months' notice to be released from all obligations under the lease. The total lease payments to which the Society is committed at the balance sheet date is therefore six months rent:

	Land and buildings	
	2019	2018
	£	£
Within 1 year	2,500	-
	<u>2,500</u>	<u>-</u>

10. General Information

Cwm Arian Renewable Energy Limited is a community benefit society, limited by shares, incorporated in England & Wales, registered number 31380R. The registered office is Hermon Community Resource Centre, Hermon, Glogue, Pembrokeshire, SA36 0DT.

Cwm Arian Renewable Energy Limited
Detailed Revenue Account
For the year ended 30 September 2019

	2019		2018	
	£	£	£	£
TURNOVER				
Grants receivable		26,646		25,247
Donations and miscellaneous income		220		592
Consultancy income		446		1,031
		27,312		26,870
GROSS PROFIT		27,312		26,870
Administrative Expenses				
Wages and salaries	9,156		13,505	
Employers pensions - defined contributions scheme	75		-	
Travel expenses	1,002		437	
Insurance	2,332		159	
Printing, postage and stationery	439		94	
Events and workshops	1,696		3,986	
Telecommunications and data costs	176		-	
Professional fees	19,469		8,659	
Bank charges	100		-	
Other office costs	644		-	
Depreciation	49		-	
Sundry expenses	4,307		-	
		(39,445)		(26,840)
OPERATING PROFIT/(LOSS) AND PROFIT/(LOSS) FOR THE FINANCIAL YEAR		(12,133)		30