

Registration number 7082

Resilient Energy Alvington Court Renewables Limited

A Registered Society under the Co-operative and Community Benefit Societies Act 2014

Directors' report and unaudited financial statements

for the period ended 31 January 2016

Resilient Energy Alvington Court Renewables Limited

Society Information

Directors	Andrew Clarke Susan Clarke John Rogers Heather Rogers Alastair Jack Janine Michael	26/02/2015 26/02/2015 27/02/2015 27/02/2015 27/02/2015 27/02/2015
Secretary	Susan Carol Clarke	
Society number	7082	
Registered office	The Woodlands Woodside, Woolaston Lydney Gloucestershire GL15 6PS	
Accountants	Walters Hawson Limited Chartered Accountants Norham House Mountenoy Road Rotherham S60 2AJ	
Business address	The Woodlands Woodside, Woolaston Lydney Gloucestershire GL15 6PS	

Resilient Energy Alvington Court Renewables Limited

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Resilient Energy Alvington Court Renewables Limited

Directors' report for the period ended 31 January 2016

The directors present their report and the financial statements for the period ended 31 January 2016.

Incorporation and change of name

The society was incorporated on 26 February 2015 as Resilient Energy Alvington Court Renewables Limited. The society commenced trade on 24 November 2015.

Principal activity

The principal activity of the society is the construction and operation of a 500KW wind turbine.

Audit

The members have passed the necessary resolution required to disapply the audit requirement.

Business Review

During the year the society raised funding of £770,500 via a community share offer, and £600,000 loan finance. This enabled the wind turbine site with the benefit of planning consent to be secured, and a 500KW turbine installed.

The cost of the turbine was as follows:

Site Cost	£606,599
Turbine Construction Costs	£1,245,728

The consideration paid for the site was:

Cash	£80,599
Withdrawable Shares	£100,000
Non-withdrawable Shares	£400,000
Reimbursement of third party costs	£26,599

The turbine construction costs included capitalised finance costs relating to the raising of share and loan finance of £120,635. The total cash cost of the project was £1,352,327, compared with an estimated cost in the share offer document of £1,350,000.

The construction of the turbine was completed on 24 November 2015, and energy generation commenced on that date.

Financial Review

The income and expenditure account for the period shows a deficit of £34,567. This is based on the turbine generating income for under 3 months with administration and interest costs being incurred during the construction period. No FIT generation revenue was received during the period due to an administrative backlog at OFGEM resulting in delays to accreditation, caused by an increase in the number of applications received by OFGEM as a result of changes in government support in September 2015.

Community Fund

Resilient Energy Alvington Court Renewables Limited

**Directors' report
for the period ended 31 January 2016**

..... continued

The society has made a commitment to donate a portion of its gross income to community projects in the Alvington/Aylburton area, subject to adequate cash reserves. No donations have been made in this initial period, which is only a partial year of operation - the society needs to generate income before community fund donations can commence.

Interest Payable to Shareholders

No interest has been paid to shareholders during the period, in line with expectations set out in the share offer document.

Directors

The directors who served during the period are as stated below:

Andrew Clarke	26/02/2015	Janine Michael	27/02/2015
Susan Clarke	26/02/2015		
John Rogers	27/02/2015		
Heather Rogers	27/02/2015		
Alastair Jack	27/02/2015		

This report was approved by the Board of Directors on 9 July 2016 and was signed on their behalf by:

S C Clarke

Secretary

Resilient Energy Alvington Court Renewables Limited

Independent reporting accountant's report to the members on the unaudited accounts of Resilient Energy Alvington Court Renewables Limited

We report on the accounts for the period ended 31 January 2016 set out on pages 4 to 10.

Respective responsibilities of the committee of management and the independent reporting accountant

The society's Committee of Management is 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 January 2016 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 January 2016 comply with the 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.

Walters Hawson Limited
Chartered Accountants and Statutory Auditor
Norham House
Mountenoy Road
Rotherham
S60 2AJ
Date: 09 07 2016

Resilient Energy Alvington Court Renewables Limited

**Income and expenditure account
for the period ended 31 January 2016**

	Notes	Year ended 31/01/16 £
Income	2	<u>46,804</u>
Administrative expenses		<u>(44,800)</u>
Operating surplus	3	2,004
Other interest receivable and similar income		(15,193)
Interest payable and similar charges		<u>(21,378)</u>
Deficit on ordinary activities before taxation		(34,567)
Tax on deficit on ordinary activities		<u>-</u>
Deficit for the period		<u><u>(34,567)</u></u>

The notes on pages 6 to 10 form an integral part of these financial statements.

Resilient Energy Alvington Court Renewables Limited

**Balance sheet
as at 31 January 2016**

	Notes	31/01/16	
		£	£
Fixed assets			
Tangible assets	4		1,829,173
Current assets			
Debtors	5	92,225	
Cash at bank and in hand		1	
		92,226	
Creditors: amounts falling due within one year	6	(64,081)	
Net current assets			28,145
Total assets less current liabilities			1,857,318
Creditors: amounts falling due after more than one year	7		(621,378)
Net assets			1,235,940
Capital and reserves			
Called up share capital	8		1,270,507
Income and expenditure account			(34,567)
Shareholders' funds			1,235,940

For the year ended 31 January 2016 the society was entitled to exemption from an audit conferred by section 84 of the Co-operative and Community Benefit Societies Act 2014. The members have not required the officers to obtain an audit of the accounts for the year in question, in accordance with the Act.

These financial statements were approved by the board and authorised for issue on 9 July 2016 and signed on their behalf by:

.....
A Clarke

.....
S Clarke

.....
J Rogers

The notes on pages 6 to 10 form an integral part of these financial statements.

Resilient Energy Alvington Court Renewables Limited

Notes to the financial statements for the period ended 31 January 2016

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the period and derives from the provision of goods falling within the society's ordinary activities.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery - Straight line over 20 years

The costs of the share issue and raising of loan finance, are considered to be directly attributable to the development of the wind turbine and have been capitalised and included in the cost of the turbine.

1.4. Deferred taxation

Resilient Energy Alvington Court Renewables Limited

Notes to the financial statements for the period ended 31 January 2016

..... continued

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

The total turnover of the society for the period has been derived from its principal activity wholly undertaken in the UK.

3. Operating surplus

Operating surplus is stated after charging:

Depreciation and other amounts written off tangible assets

**Year
ended
31/01/16
£**

23,154

In accordance with accounting standards administration costs include legal and professional fees of £83,693 in connection with the share issue. These costs will not reoccur in the future.

Resilient Energy Alvington Court Renewables Limited

**Notes to the financial statements
for the period ended 31 January 2016**

..... continued

4. Tangible fixed assets	Plant and machinery	Total
	£	£
Cost		
Additions	1,852,327	1,852,327
At 31 January 2016	<u>1,852,327</u>	<u>1,852,327</u>
Depreciation		
Charge for the period	23,154	23,154
At 31 January 2016	<u>23,154</u>	<u>23,154</u>
Net book value		
At 31 January 2016	<u><u>1,829,173</u></u>	<u><u>1,829,173</u></u>
5. Debtors		31/01/16
		£
Other debtors		5,730
Prepayments and accrued income		86,495
		<u>92,225</u>
		<u><u>92,225</u></u>
6. Creditors: amounts falling due within one year		31/01/16
		£
Bank overdraft		29,897
Trade creditors		20,460
Amount owed to The Resilience Centre Ltd		503
Accruals and deferred income		13,221
		<u>64,081</u>
		<u><u>64,081</u></u>

Resilient Energy Alvington Court Renewables Limited

**Notes to the financial statements
for the period ended 31 January 2016**

..... continued

7.	Creditors: amounts falling due after more than one year	31/01/16 £
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Other loans	621,378
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The loan is interest only, with the balance being repayable in full on 11 January 2019. The loan is secured via a debenture over the assets of the society and a chattel mortgage over the 500KW turbine.

8.	Share capital	31/01/16 £
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Authorised

870,507 Withdrawable Ordinary shares of £1 each	870,507
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400,000 Non-withdrawable Ordinary shares of £1 each	400,000
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	1,270,507
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Allotted, called up and fully paid

870,507 Withdrawable Ordinary shares of £1 each	870,507
---	---------

400,000 Non-withdrawable Ordinary shares of £1 each	400,000
---	---------

	1,270,507
--	-----------

Equity Shares

870,507 Withdrawable Ordinary shares of £1 each	870,507
---	---------

400,000 Non-withdrawable Ordinary shares of £1 each	400,000
---	---------

	1,270,507
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The share capital was issued during the period to fund the development of the turbine. The society issued shares worth £770,507 for which it received cash, and shares worth £500,000 to obtain the benefit of the turbine site including planning permission.

Resilient Energy Alvington Court Renewables Limited

Notes to the financial statements for the period ended 31 January 2016

..... continued

9. Related party transactions

During the year, the society incurred management fees and recharged third party costs of £104,233 from The Resilience Centre Limited (TRCL), the society's appointed manager; a company in which Mr A Clarke and Mrs S Clarke are directors and shareholders. The costs are broken down as follows:

Production of share offer document, publicity, advertising & raising of share revenue - £28,000

Discharge of planning conditions, FIT registration, re-negotiation on grid connection point of connection - £28,288

Construction & contract management including wind turbine contract negotiations, access for wind turbine & tran-shipment - £40,000

Operational and shareholder management fees - £7,945

Additionally, the society purchased planning and development rights in respect of the turbine from Resilient Energy Alvington Court Limited (REACL) for £80,000 in cash, £100,000 withdrawable shares, and £400,000 non-withdrawable shares. Additionally REACL was reimbursed for £13,993 necessary forward costs, paid out in relation to a grid connection deposit and a geotechnical survey. Mr A Clarke and Mr J Rogers are directors of REACL, Mr J Rogers and TRCL are shareholders in REACL.