

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
REACH COMMUNITY SOLAR FARM LIMITED**

REACH COMMUNITY SOLAR FARM LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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REACH COMMUNITY SOLAR FARM LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTORS:

C Cane
G Lingley
P Robinson
J Luttrell
J Wood
M O'Leary

REGISTERED OFFICE:

Willow Farm
Lode
Cambridgeshire
CB25 9HF

REGISTERED NUMBER:

IP032300 (England and Wales)

FAC NUMBER:

32300R

ACCOUNTANTS:

Chater Allan LLP
Chartered Accountants
7 Quay Court
Colliers Lane
Stow-cum-Quay
Cambridgeshire
CB25 9AU

REACH COMMUNITY SOLAR FARM LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The society's principal activities are;

- to build and manage a community solar farm near Reach. The scheme is owned and run by a co-operative of local people, and it should generate enough clean, green electricity to power 50 houses.

REVIEW OF BUSINESS

2021 has been an interesting year. The panels continue to perform well and in 2021 249,539 units were generated, which was down on the previous year's figure of 274,670 kw/h units of electricity. This figure as usual exceeded our original forecast of 236,000 units. From April 2021 the electricity we generated was sold to Octopus Energy, having switched from Good Energy.

In 2021, we again accumulated surplus funds and during the year invested a further £45,200 in ethical and sustainable funds, further diversifying our portfolio when we did so.

At the 2021 AGM it was agreed that members receive 3 per cent interest on their investment. It was further decided that the majority of the grant received from East Cambridgeshire District Council in 2020 should be donated to two local charities. As a consequence, The Red Hen Project and The Prospect Trust each received £4000 each to help enable them to continue and expand their community support roles in these challenging times. Both have expressed their thanks and the money was used to help less fortunate members of the local community.

A central task of a Community Benefit Society is to benefit the community. This year, the Board recommends that interest on the shares are paid at 2 per cent and that a £4,000 contribution is made to community causes. The beneficiaries of this donation will be decided by the members at the AGM.

Towards the end of the year, we became aware of a Feasibility Grant that could be applied for and used to look at the viability of a community heat source pump scheme for Reach residents. It was thought that such a scheme could be mutually beneficial for residents and Reach Community Solar Farm. However, despite much work, it was felt that with a constricted timescale and lack of practical support from villagers, it would be unwise for the Solar Farm Committee to pursue the project further.

Future Activity

The Board will continue to monitor the Feed in Tariffs, wholesale energy prices and what is being offered by various energy purchasers across the market.

In addition to the routine business of the organisation, a primary consideration for the board is to make sure we are making the best use of our accumulated surplus funds. We will continue to review our investments and monitor the market.

We will continue to review our insurance policies, if these continue to rise or offer less cover and to get best value.

At the June 2022 AGM Jenny Wood will stand down as a director but will be putting herself forward for re-election.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

C Cane
G Lingley
P Robinson
J Luttrell
J Wood

REACH COMMUNITY SOLAR FARM LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTORS - continued

Other changes in directors holding office are as follows:

M O'Leary - appointed 16 June 2021

INTEREST AND TRANSFER TO RESERVES

£6,751 was paid in interest (2020 £10,155). A net surplus of £1,034, before unrealised gains on investments, (2020: £3,473) was transferred to reserves.

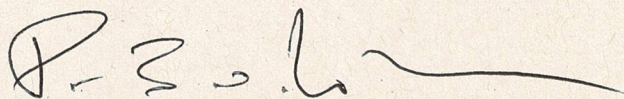
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Co-operative and Community Benefit Societies Act 2014 legislation requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the society and of the profit or loss of the society for that period. In preparing those financial statements the directors are required to:-

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are responsible and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Society 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.

ON BEHALF OF THE BOARD:



P Robinson - Director

Date: 30/7/22

REACH COMMUNITY SOLAR FARM LIMITED**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
TURNOVER			35,326		33,385
Cost of sales			<u>95</u>		<u>132</u>
GROSS PROFIT			35,231		33,253
Administrative expenses			<u>28,863</u>		<u>30,468</u>
			6,368		2,785
Other operating income			<u>600</u>		<u>10,450</u>
OPERATING PROFIT	4		6,968		13,235
Income from fixed asset investments Interest receivable and similar income		815 <u>2</u>	<u>817</u>	387 <u>6</u>	<u>393</u>
			7,785		13,628
Interest payable and similar expenses			<u>6,751</u>		<u>10,155</u>
PROFIT BEFORE TAXATION			1,034		3,473
Tax on profit			<u>1,078</u>		<u>(5,628)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR			<u>(44)</u>		<u>9,101</u>

The notes form part of these financial statements

REACH COMMUNITY SOLAR FARM LIMITED

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
(LOSS)/PROFIT FOR THE YEAR		(44)	9,101
OTHER COMPREHENSIVE INCOME			
Unrealised gain on investments		7,961	1,455
Income tax relating to other comprehensive income		<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>7,961</u>	<u>1,455</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>7,917</u>	<u>10,556</u>

The notes form part of these financial statements

REACH COMMUNITY SOLAR FARM LIMITED (REGISTERED NUMBER: IP032300)

**BALANCE SHEET
31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	5		229,415		245,803
Investments	6		<u>84,655</u>		<u>27,919</u>
			314,070		273,722
CURRENT ASSETS					
Debtors	7	4,939		5,705	
Cash at bank		<u>30,662</u>		<u>68,932</u>	
		35,601		74,637	
CREDITORS					
Amounts falling due within one year	8	<u>12,848</u>		<u>20,531</u>	
NET CURRENT ASSETS					
			<u>22,753</u>		<u>54,106</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			336,823		327,828
PROVISIONS FOR LIABILITIES					
			<u>32,050</u>		<u>30,972</u>
NET ASSETS					
			<u>304,773</u>		<u>296,856</u>
CAPITAL AND RESERVES					
Called up share capital			338,650		338,650
Revaluation reserve	10		11,521		3,560
Retained earnings			<u>(45,398)</u>		<u>(45,354)</u>
SHAREHOLDERS' FUNDS					
			<u>304,773</u>		<u>296,856</u>

The society is entitled to exemption from audit under Section 84 of the Co-operative and Community Benefit Societies Act 2014 for the year ended 31 December 2021.

The directors have not required the society to obtain an audit or an Independent Examination of its financial statements for the year ended 31 December 2021.

The directors acknowledge their responsibilities for:

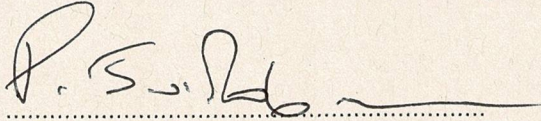
- ensuring that the society keeps accounting records which comply with Sections 75 of the Co-operative and Community Benefit Societies Act 2014 (the Act),
- establishing and maintaining a satisfactory system of its books of accounts, its cash holdings and all its receipts and remittances in order to comply with section 75 of the Act, and
- preparing financial statements which give a true and fair view of the state of affairs of the society as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 79 and 80, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the society.

The notes form part of these financial statements

BALANCE SHEET - continued
31 DECEMBER 2021

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

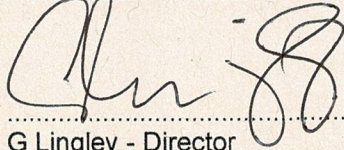
The financial statements were approved by the Board of Directors and authorised for issue on and were signed on its behalf by:



P Robinson - Director



C Cane - Director



G Lingley - Director

REACH COMMUNITY SOLAR FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. STATUTORY INFORMATION

Reach Community Solar Farm Limited is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 (Companies Act 2006) and is registered with the Financial Conduct Authority. The registered office is Willow Farm, Lode, Cambridge, CB25 9HF.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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.

Plant and machinery etc - 5% on cost

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.

Grants

Grants are accounted for on an accruals basis and are therefore recognised in income in the period they become receivable.

Going concern

The directors have considered the financial position of the society and believe it is well placed to manage its business risks successfully. The directors have a reasonable expectation that the society has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of preparation in preparing the financial statements.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2020 - NIL).

REACH COMMUNITY SOLAR FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. OPERATING PROFIT

The operating profit is stated after charging:

	2021 £	2020 £
Depreciation - owned assets	<u>16,388</u>	<u>16,388</u>

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2021 and 31 December 2021	<u>327,743</u>
DEPRECIATION	
At 1 January 2021	81,940
Charge for year	<u>16,388</u>
At 31 December 2021	<u>98,328</u>
NET BOOK VALUE	
At 31 December 2021	<u>229,415</u>
At 31 December 2020	<u>245,803</u>

6. FIXED ASSET INVESTMENTS

	Other investments £
COST OR VALUATION	
At 1 January 2021	27,919
Revaluations	<u>56,736</u>
At 31 December 2021	<u>84,655</u>
NET BOOK VALUE	
At 31 December 2021	<u>84,655</u>
At 31 December 2020	<u>27,919</u>

Cost or valuation at 31 December 2021 is represented by:

	Other investments £
Valuation in 2019	2,105
Valuation in 2020	1,455
Valuation in 2021	7,961
Cost	<u>73,134</u>
	<u>84,655</u>

REACH COMMUNITY SOLAR FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2021	2020
	£	£
Other debtors	<u>4,939</u>	<u>5,705</u>
8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2021	2020
	£	£
Trade creditors	10,802	19,278
Taxation and social security	1,095	1,253
Other creditors	<u>951</u>	<u>-</u>
	<u>12,848</u>	<u>20,531</u>
9. LEASING AGREEMENTS		
Minimum lease payments under non-cancellable operating leases fall due as follows:		
	2021	2020
	£	£
Within one year	1,810	1,752
Between one and five years	<u>7,240</u>	<u>7,008</u>
	<u>9,050</u>	<u>8,760</u>
10. RESERVES		
		Revaluation reserve
		£
At 1 January 2021		3,560
Gain on revaluation		<u>7,961</u>
At 31 December 2021		<u>11,521</u>

11. OTHER FINANCIAL COMMITMENTS

Total financial commitments as at 31 December 2021 that are not included in the balance sheet amount to £nil (2020:£nil).

12. RELATED PARTY DISCLOSURES

The society is not controlled by any one individual.

The land is leased from Spring Hall Limited. The Chairman is the sole Director of Spring Hall Limited, and owns half the shares in Spring Hall Limited. The rent paid during the year to 31 December 2021 was £1,735 (2020: £1,743). The rent for the year to 31 December 2021 is expected to be £1,810.

Administration costs of £3,000 paid to Deborah Lingley, who is the wife of the director G Lingley.

The directors were aware of these transactions with related persons from the outset of the project.

REACH COMMUNITY SOLAR FARM LIMITED

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021		2020	
	£	£	£	£
Turnover				
Electricity supply	17,064		15,212	
Feed in tariff	18,020		17,927	
REGO	<u>242</u>		<u>246</u>	
		35,326		33,385
Cost of sales				
Other direct costs		<u>95</u>		<u>132</u>
GROSS PROFIT		35,231		33,253
Other income				
Sensor rent	600		450	
Grants	-		10,000	
Other fixed asset invest - FII	815		387	
Deposit account interest	<u>2</u>		<u>6</u>	
		<u>1,417</u>		<u>10,843</u>
		36,648		44,096
Expenditure				
Rent	60		60	
Light and heat	133		130	
Lease of land	1,735		1,783	
Administration costs	3,000		3,023	
Licences and insurance	756		765	
Accountancy	950		300	
Donations	4,000		8,000	
Depreciation of tangible fixed assets	<u>16,388</u>		<u>16,388</u>	
		<u>27,022</u>		<u>30,449</u>
		9,626		13,647
Finance costs				
Bank charges	24		19	
Investments fees	1,817		-	
Interest payable	<u>6,751</u>		<u>10,155</u>	
		<u>8,592</u>		<u>10,174</u>
NET PROFIT		<u><u>1,034</u></u>		<u><u>3,473</u></u>

This page does not form part of the statutory financial statements

