

SOCIETY NUMBER IP032300

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
FOR
REACH COMMUNITY SOLAR FARM LIMITED**

REACH COMMUNITY SOLAR FARM LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2017**

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REACH COMMUNITY SOLAR FARM LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2017**

DIRECTORS:

C Cane
G Lingley
J Luttrell
P Robinson
C Smith
J Wood

REGISTERED OFFICE:

Willow Farm
Lode
Cambridgeshire
CB25 9HF

REGISTERED NUMBER:

IP032300 (England and Wales)

FCA NUMBER:

32300R

INDEPENDENT ACCOUNTANTS: Chater Allan LLP
Chartered Accountants
Beech House
4a Newmarket Road
Cambridge
Cambridgeshire
CB5 8DT

REACH COMMUNITY SOLAR FARM 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 Activities

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.

Business Review

After the flurry of activity during 2016, when the solar farm started generating, 2017 has been a much quieter year. This is as it should be, now that the farm is up and running and we have everything in place.

There have been no maintenance issues during 2017 and we have generated 256,252 units of electricity, slightly down on 2016 (264,000), but this appears to be down to a slightly less sunny year than 2016, according to local anecdotal evidence. This figure still exceeds our target of 236,000 units.

Given another successful year the Committee is able to recommend to members that interest on the shares are paid at 3 per cent and a £500 contribution is made to a community cause. We have had a number of suggestions from shareholders about where this donation should go, and it will be decided by a vote by members at the AGM.

Perhaps the most demanding activity of the past year was organising the payment of interest. As this was our first share payment, there was a lot of data entry and cross checking to do, fortunately all seemed to go well and future payments will be a lot less demanding as the data is now securely stored.

Future Activity

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. A number of investment options have been considered and we plan to report to members at the AGM.

The board also continues to assess the options for expanding the solar farm to our planning permission approved size (double the current size). Our options continue to be limited both by access to the grid (which is improving slowly) and the limited financial return of the current Feed in Tariff system. As noted in the last report, the land is available to expand in the future should the capacity at Burwell be available and the finances for renewable energy improve.

REACH COMMUNITY SOLAR FARM LIMITED

REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2017

Interest and transfer to Reserves

£10,190 was paid in interest (2016 £10,205). A net surplus of £996 (2016: deficit £9,688) was transferred to reserves.

Directors who served during the year

Charlotte Cane
Graham Lingley
J Luttrell (Appointed 9 May 2017)
Paul Robinson (Chair)
Chris Smith (Appointed 9 May 2017)
Andrew Trump (Resigned 19 October 2017)
Jonathan Kimmitt (Resigned 9 May 2017)
Jenny Wood

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 DIRECTORS:

.....
P Robinson - Director

Date: 17 May 2018

REACH COMMUNITY SOLAR FARM LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Year Ended 31/12/17 £	Year Ended 31/12/16 £
TURNOVER		29,548	27,175
Administrative expenses		<u>23,562</u>	<u>23,158</u>
		5,986	4,017
Other operating income		-	-
Donation		500	500
Interest		<u>10,190</u>	<u>10,205</u>
OPERATING LOSS and LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(4,704)	(6,688)
Tax on loss on ordinary activities	2	<u>(5,700)</u>	<u>3,000</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>996</u>	<u>(9,688)</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>996</u>	<u>(9,688)</u>

REACH COMMUNITY SOLAR FARM LIMITED (REGISTERED NUMBER: IP032300)

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2017**

	Notes	2017		2016	
		£	£	£	£
FIXED ASSETS					
Tangible assets	3		294,967		311,355
CURRENT ASSETS					
Debtors	4	7,022		19,059	
Cash at bank		<u>34,807</u>		<u>11,513</u>	
		41,829		30,572	
CREDITORS					
Amounts falling due within one year	5	<u>11,860</u>		<u>11,787</u>	
NET CURRENT ASSETS			<u>29,969</u>		<u>18,785</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			324,936		330,140
CREDITORS					
Amounts falling due after more than one year	6		-		-
PROVISIONS FOR LIABILITIES			<u>(41,300)</u>		<u>(47,000)</u>
NET ASSETS/(LIABILITIES)			<u>283,636</u>		<u>283,140</u>
CAPITAL AND RESERVES					
Called up equity share capital	9		339,650		340,150
Retained earnings	10		<u>(56,014)</u>		<u>(57,010)</u>
TOTAL FUNDS			<u>283,636</u>		<u>283,140</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 2017.

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 2017.

The directors acknowledge their responsibilities for:

- (a) ensuring that the society keeps accounting records which comply with Sections 75 of the Co-operative and Community Benefit Societies Act 2014 (the Act),
- (b) 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
- (c) 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.

REACH COMMUNITY SOLAR FARM LIMITED (REGISTERED NUMBER: IP032300)

STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2017

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

These financial statements were approved by the Directors and authorised for issue on 17 May 2018 and were signed on their behalf by:

.....
P Robinson – Director

.....
C Cane - Director

.....
Julian Luttrell - Director

REACH COMMUNITY SOLAR FARM LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Total comprehensive income	<u>340,150</u>	<u>(57,010)</u>	<u>283,140</u>
Balance at 31 December 2016	<u>340,150</u>	<u>(57,010)</u>	<u>283,140</u>
Changes in equity			
Issue of share capital	(500)	-	(500)
Total comprehensive income	<u>-</u>	<u>996</u>	<u>996</u>
Balance at 31 December 2017	<u><u>339,650</u></u>	<u><u>(56,014)</u></u>	<u><u>283,636</u></u>

REACH COMMUNITY SOLAR FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

LEGAL STATUS

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.

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice (UK GAAP), Financial Reporting Standard 102 (Section 1A) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention and are presented in sterling £.

The financial statements comply with the Co-operative and Community Benefit Societies Act 2014.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

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 - 5% on cost

Deferred tax

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

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.

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.

2. TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the year was as follows:

	2017	2016
	£	£
Deferred tax	(5,700)	3,000
	<hr/>	<hr/>
Tax on loss on ordinary activities	<u>(5,700)</u>	<u>3,000</u>

REACH COMMUNITY SOLAR FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

3. TANGIBLE FIXED ASSETS

Plant and
machinery
etc.
£

COST

At 1 January 2017

327,744

Additions

At 31 December 2017

327,744

DEPRECIATION

At 1 January 2017

16,388

Charge for the year

16,388

At 31 December 2017

32,776

NET BOOK VALUE

At 31 December 2017

294,968

At 31 December 2016

311,356

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

2017

2016

£

£

Other debtors

7,022

19,059

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

2017

2016

£

£

Trade creditors

1

74

Other creditors

11,116

11,713

11,117

11,787

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

2017

2016

£

£

Loans

-

-

7. LOANS

An analysis of the maturity of loans is given below:

2017

2016

£

£

Amounts falling due between one and two years:

Other loans - 1-2 years

-

-

REACH COMMUNITY SOLAR FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable leases fall due as follows:

	2017 £	2016 £
Within one year	1,629	1,550
Between one and five years	<u>4,887</u>	<u>4,650</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal Value:	2017 £	2016 £
339,650	Ordinary shares	£1	<u>339,650</u>	<u>340,150</u>

10. RESERVES

	Retained earnings £
At 1 January 2017	(57,010)
Surplus for the year	<u>996</u>
At 31 December 2017	<u>(56,014)</u>

11. RELATED PARTY DISCLOSURES

The society is not controlled by any one individual.

The land is leased from John Robinson who is the father of Paul Robinson, Chairman of the Company. The rent paid during the year to 31 December 2017 was £1,613 (2016: £1,550). The rent for the year to 31 December 2018 is expected to be £1,629.

Dr Andrew Rankin is the owner of Midsummer Energy Limited. Dr Andrew Rankin was a founder Director of Reach Community Solar Farm Limited, who stood down in March 2014. He continues to provide administrative support to the Directors and managed the project for Reach Community Solar Farm Limited. Midsummer Energy Limited provided the Solar Panels and much of the other infrastructure for the project and will continue to provide maintenance. Midsummer Energy were paid £2,800 (2016: £250,969).

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

12. FINANCIAL COMMITMENTS

Total financial commitments as at 31 December 2017 that are not included in the balance sheet amount to £nil (2016:£16,735).

REACH COMMUNITY SOLAR FARM LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Year Ended 31/12/17		Year Ended 31/1/16	
	£	£	£	£
Income		29,548		27,175
Other income				
Donations		_____		_____
		29,548		27,175
Expenditure				
Lease of land	1,613		1,550	
Rental of meter and standing charges	213		338	
Administration costs	3,775		3,050	
Licences and insurance	1,301		1,126	
Accountancy	250		700	
Depreciation	16,388		16,388	
Donation	500`		500	
	_____		_____	
		<u>24,040</u>		<u>23,652</u>
		5,508		(3,523)
Finance costs				
Interest		10,189		10,205
Card fees		-		-
Bank charges		<u>23</u>		<u>6</u>
NET LOSS		<u>(4,704)</u>		<u>(6,688)</u>