

Registered number
32420R

Chase Community Solar Limited

Report and Accounts

31 December 2018

**Chase Community Solar Limited
Report and accounts
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Chase Community Solar Limited
Registered number: 32420R
Directors' Report

The directors present their report and accounts for the year ended 31 December 2018.

Principal activities

The society's principal activity throughout the year was the management of 313 arrays of solar photovoltaic panels as installed in 2015 on bungalow roofs leased for a term of 20 years from Cannock Chase Council or any subsequent assignees.

Directors

The following persons served as directors during the year:

Richard William Masterson Baines (Chairman)
David James Crosby
Douglas Alan Haigh (retired 07/06/2018)
Garry Jones (retired 02/07/2018)
Michael Kinghan
Robin Frederick Powell
Catherine Helen Sadler
Andrea Jane Simpson
Robin Geoffrey Taylor
Paul Edward Woodhead (retired 29/01/2018)
Elaine Berry (appointed 06/11/2018)
Gordon Telling (appointed 30/01/2018)

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

The law governing Registered Societies requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society as at the balance sheet date and of its income and expenditure for the year then ended. In preparing these accounts, the directors are required to:

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

The directors are responsible for keeping proper books of account such as are necessary to give a true and fair view of the society's state of affairs and to explain its financial transactions. The directors must also establish and maintain a satisfactory system of control of its books of account, its cash holdings and all its receipts and remittances, and hence are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reporting Criteria

This report has been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

This report was approved by the board on 25.6.19 and signed on its behalf.

ASimpson
Director's signature

ANDREA SIMPSON.
Director's name

**Chase Community Solar Limited
Society Information**

Directors

Richard William Masterson Baines (Chairman)
David James Crosby
Douglas Alan Haigh (retired 07/06/2018)
Garry Jones (retired 02/07/2018)
Michael Kinghan
Robin Frederick Powell
Catherine Helen Sadler
Andrea Jane Simpson
Robin Geoffrey Taylor
Paul Edward Woodhead (retired 29/01/2018)
Elaine Berry (appointed 06/11/2018)
Gordon Telling (appointed 30/01/2018)

Secretary

Andrea Jane Simpson

Registered office

3, Burns Close
Lichfield
WS14 9DW

Registered number

32420R

**Independent reporting accountant's report to the Directors on the unaudited
accounts of Chase Community Solar Limited**

We report on the accounts for the year ended 31 December 2018 set out on pages 4 to 9.

**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 year 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 year ended 31 December 2018 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.

Third Sector Accountancy Limited
Reporting Accountants
Statutory Auditor
Holyoake House
Hanover Street
Manchester M60 0AS

Third Sector Accountancy Limited

Date 04 / 07 / 2019

**Chase Community Solar Limited
Revenue Account
for the year ended 31 December 2018**

	Notes	2018 £	2017 £
Turnover		119,333	105,905
Cost of sales		(67,710)	(68,620)
Gross profit		<u>51,623</u>	<u>37,285</u>
Operating expenses		(5,167)	(5,107)
Other operating income		172	100
Operating surplus	4	46,628	32,278
Profit on the disposal of tangible fixed assets		71	-
Interest payable	5	(4,298)	(6,597)
Surplus before taxation		<u>42,401</u>	<u>25,681</u>
Tax on surplus		-	-
Surplus for the financial year		<u>42,401</u>	<u>25,681</u>

**Chase Community Solar Limited
Balance Sheet
as at 31 December 2018**

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	6	807,511	859,029
Current assets			
Debtors	7	27,048	22,885
Cash at bank and in hand		51,460	30,170
		78,508	53,055
Creditors: amounts falling due within one year	8	(47,329)	(70,870)
Net current assets/(liabilities)		<u>31,179</u>	<u>(17,815)</u>
Total assets less current liabilities		838,690	841,214
Creditors: amounts falling due after more than one year	9	(13,856)	(58,764)
Net assets		<u>824,834</u>	<u>782,450</u>
Capital and reserves			
Called up share capital		782,350	782,450
Retained surplus/(accumulated deficit)		42,484	-
Shareholders' funds		<u>824,834</u>	<u>782,450</u>

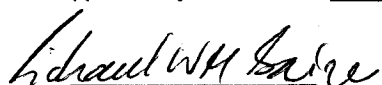
The directors are satisfied that the Society is entitled to exemption from the requirement to obtain an audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

The members have not required the Society to obtain an audit in accordance with the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Societies Act 2014 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in the Co-operative and Community Benefit Societies Act 2014.

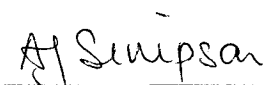
Approved by the board on 25.6.19


Director's signature

RICHARD BAINES
Director's name


Director's signature

ELAINE BERRY
Director's name


Secretary's signature

ANDREA SIMPSON
Secretary's name

Chase Community Solar Limited
Statement of Changes in Equity
for the year ended 31 December 2018

	Share capital	Revenue account	Total
	£	£	£
At 1 January 2017	782,450	-	782,450
Surplus for the financial year		25,681	25,681
Share Interest		(25,681)	(25,681)
At 31 December 2017	<u>782,450</u>	<u>-</u>	<u>782,450</u>
At 1 January 2018	782,450	-	782,450
Surplus for the financial year		42,401	42,401
Share Interest		83	83
Shares redeemed	(100)		(100)
At 31 December 2018	<u>782,350</u>	<u>42,484</u>	<u>824,834</u>

Chase Community Solar Limited
Notes to the Accounts
for the year ended 31 December 2018

1 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These have remained unchanged from the previous year and have been consistently applied within the accounts.

General information

Chase Community Solar Limited is a registered society incorporated in England within the United Kingdom. The address of the registered office is given on Page 1 of these financial statements. Chase Community Solar Limited meets the definition of a public benefit entity under FRS102.

Basis of preparation

These financial statements have been prepared under FRS 102 Section1A - small entities and there were no material departures from that standard. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents Feed In Tariff and other electricity generating income, net of value added tax where applicable, derived from the generation of electricity from solar panel installations.

Depreciation

Depreciation of the solar panel installations has been provided at 5% straight line in order to write off the assets over their 20 year economic life.

Interest on loan commitments

Interest is calculated on the loan balance outstanding at the end of each calendar month and is expensed to the Revenue Account as calculated to reflect the reducing capital balance over the term of the loan.

Taxation

There is no corporation tax due as the society has significant trading losses due to capital allowances. We do not expect the advance capital allowances to reverse later on the project due to share interest deductions, which is why no deferred tax has been provided.

Grants Received

Grants are identified as either relating to capital or relating to revenue.

Grants relating to revenue are recognised in the Revenue account on a systematic basis over the periods in which the Society recognises the related costs for which the grant is intended to compensate.

Capital-based grants are recognised in the Revenue account on a systematic basis over the useful economic life of the asset to match the associated depreciation charge.

Chase Community Solar Limited
Notes to the Accounts
for the year ended 31 December 2018

2 Change in accounting treatment

In these accounts interest payable on shares has been included in the Statement of Changes in Equity as required by Financial Reporting Standard 102. In the original accounts for the year ended 31 December 2017 the interest on shares was included in the Revenue Account. In these accounts we have amended the comparative figures for 2017 so that the 2017 interest is included in the Statement of Changes in Equity. As a result, these accounts show a surplus of £25,681 in 2017, compared to the surplus as stated in the original accounts of nil. The balance of reserves and net assets are not affected.

3 Employees

The average monthly number of persons (including directors) employed by the society during the year was 0 (2017 - 0).

4 Operating Surplus

	2018	2017
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	48,797	48,938
	<u>48,797</u>	<u>48,938</u>

5 Interest Payable

	2018	2017
	£	£
Interest payable loans	4,298	6,597
	<u>4,298</u>	<u>6,597</u>

Chase Community Solar Limited
Notes to the Accounts
for the year ended 31 December 2018

6 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2018	978,759
Disposals	(3,117)
At 31 December 2018	<u>975,642</u>
Depreciation	
At 1 January 2018	119,730
Charge for the year	48,797
On disposals	(396)
At 31 December 2018	<u>168,131</u>
Net book value	
At 31 December 2018	<u>807,511</u>
At 31 December 2017	<u>859,029</u>

7 Debtors

	2018 £	2017 £
Accrued income	20,645	17,208
Prepaid expenses	5,773	5,677
VAT debtor	130	-
Other debtor	500	-
	<u>27,048</u>	<u>22,885</u>

8 Creditors: amounts falling due within one year

	2018 £	2017 £
'Pure Leapfrog' loan	45,490	42,865
Trade creditors	1,280	500
Accruals	403	424
VAT creditor	-	683
Other creditor	106	26,398
Deferred income	50	-
	<u>47,329</u>	<u>70,870</u>

Chase Community Solar Limited
Notes to the Accounts
for the year ended 31 December 2018

9 Creditors: amounts falling due after one year	2018	2017
	£	£
'Pure Leapfrog' loan	13,078	58,764
Deferred income	778	-
	<u>13,856</u>	<u>58,764</u>

The Society originally entered into a 78 month term loan agreement with Pure Leapfrog, to the value of £250,000 at an interest rate of 5.5% in August 2015. During 2016 a repayment of £80,000 was made in addition to the contracted regular monthly payments, so reducing the term to 51 months. The loan is due to be fully repaid with interest by April 2020. Pure Leapfrog is a UK based registered charity (no 1112249) with the specific objective of supporting community ownership of renewable energy assets, which reduce carbon emissions to combat climate change, while making a social impact through the economic benefits from such assets. The fund supports high quality carbon reduction projects in the UK that are community-owned and generate significant community benefit. The Pure Leapfrog Loan is secured on the fixed assets of the society. The total secured as at 31 December 2018 is £58,568 (2017: £101,629).

Deferred Income is made up of capital grant income deferred and systematically released to the Revenue account to match the asset depreciation charge over the life of the asset.

10 Non-adjusting post balance sheet event

The directors have decided to pay 4.1% share interest to the members of the society which will be paid in 2019 if agreed at the AGM.

**Chase Community Solar Limited
Detailed Revenue Account
for the year ended 31 December 2018**

	2018 £	2017 £
Sales		
Feed in tariff	99,158	89,975
Electricity sales	20,175	15,930
	<u>119,333</u>	<u>105,905</u>
Cost of sales		
Metering	8,135	8,101
Maintenance	6,619	6,736
Depreciation	48,797	48,938
Insurance	3,026	4,006
VAT paid on free electricity	1,133	839
	<u>67,710</u>	<u>68,620</u>
Operating expenses		
Travel and meeting costs	51	38
Administrative charge	3,590	3,470
Postage	-	7
Subscriptions	999	654
Bank charges	110	110
Insurance	167	203
Sundry expenses	-	150
Accountancy fees	250	250
Other legal and professional	-	225
	<u>5,167</u>	<u>5,107</u>
Other operating income		
Other operating income	<u>172</u>	<u>100</u>

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