

Registered number
32420R

Chase Community Solar Limited

Report and Accounts

31 December 2019

Chase Community Solar Limited
Report and accounts
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Chase Community Solar Limited Society Information

Directors

Richard Baines (Chairman)

David Crosby

Michael Kinghan

Robin Powell

Catherine Sadler (retired 25/01/2019)

Andrea Simpson

Robin Taylor (retired 25/06/2019)

Elaine Berry

Gordon Telling (retired 14/11/2019)

Graham Ryott (external independent director, appointed 01/12/2019)

Secretary

Andrea Simpson

Accountants

Third Sector Accountancy Limited

Holyoake House

Hanover Street

Manchester

M60 0AS

Registered office

3, Burns Close

Lichfield

WS14 9DW

Registered number

32420R

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

The directors present their report and accounts for the year ended 31 December 2019.

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 Baines (Chairman)
David Crosby
Michael Kinghan
Robin Powell
Catherine Sadler (retired 25/01/2019)
Andrea Simpson
Robin Taylor (retired 25/06/2019)
Elaine Berry
Gordon Telling (retired 14/11/2019)
Graham Ryott (external independent director, appointed 01/12/2019)

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 _____ and signed on its behalf.

Director's signature

Director's name

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 2019 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 2019 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 2019 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*

Date

Chase Community Solar Limited
Revenue Account
for the year ended 31 December 2019

	Notes	2019 £	2018 £
Turnover		121,943	119,333
Cost of sales		(71,143)	(67,710)
Gross surplus		<u>50,800</u>	<u>51,623</u>
Operating expenses		(15,604)	(5,167)
Other operating income		593	172
Operating surplus	3	<u>35,789</u>	<u>46,628</u>
Profit on the disposal of tangible fixed assets		-	71
Interest payable	4	(1,870)	(4,298)
Surplus before taxation		<u>33,919</u>	<u>42,401</u>
Tax on surplus		-	-
Surplus for the financial year		<u>33,919</u>	<u>42,401</u>

Chase Community Solar Limited
Balance Sheet
as at 31 December 2019

	Notes	2019 £	2018 £
Fixed assets			
Tangible assets	5	758,729	807,511
Current assets			
Debtors	6	25,886	27,048
Cash at bank and in hand		66,660	51,460
		92,546	78,508
Creditors: amounts falling due within one year	7	(23,766)	(47,329)
Net current assets		68,780	31,179
Total assets less current liabilities		827,509	838,690
Creditors: amounts falling due after more than one year	8	(728)	(13,856)
Net assets		826,781	824,834
Capital and reserves			
Called up share capital		782,450	782,350
Retained surplus/(accumulated deficit)		44,331	42,484
Shareholders' funds		826,781	824,834

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 _____

 Director's signature

 Director's signature

 Secretary's signature

 Director's name

 Director's name

 Secretary's name

Chase Community Solar Limited
Statement of Changes in Equity
for the year ended 31 December 2019

	Share capital	Revenue account	Total
	£	£	£
At 1 January 2018	782,450	-	782,450
Surplus for the financial year		42,401	42,401
Share Interest Shares redeemed	(100)	83	83 (100)
At 31 December 2018	<u>782,350</u>	<u>42,484</u>	<u>824,834</u>
At 1 January 2019	782,350	42,484	824,834
Surplus for the financial year		33,919	33,919
Share Interest Shares issued	100	(32,072)	(32,072) 100
At 31 December 2019	<u>782,450</u>	<u>44,331</u>	<u>826,781</u>

Chase Community Solar Limited
Notes to the Accounts
for the year ended 31 December 2019

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.

2 Employees

The average monthly number of persons (including directors) employed by the society during the year was 0 (2018 - 0).

Chase Community Solar Limited
Notes to the Accounts
for the year ended 31 December 2019

3 Operating Surplus	2019	2018
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	48,782	48,797
Community Fund Payment	10,300	-
	<u>59,082</u>	<u>48,797</u>

The community fund payment was a donation the Beat The Cold, a charity that works to reduce the incidence of cold related illness and fuel poverty in the Staffordshire area.

4 Interest Payable	2019	2018
	£	£
Interest payable loans	1,870	4,298
	<u>1,870</u>	<u>4,298</u>

5 Tangible fixed assets	Plant and machinery etc
	£
Cost	
At 1 January 2019	<u>975,642</u>
At 31 December 2019	<u>975,642</u>
Depreciation	
At 1 January 2019	168,131
Charge for the year	48,782
At 31 December 2019	<u>216,913</u>
Net book value	
At 31 December 2019	<u>758,729</u>
At 31 December 2018	<u>807,511</u>

6 Debtors	2019	2018
	£	£
Trade debtors	350	-
Accrued income	19,632	20,645
Prepaid expenses	5,404	5,773
VAT debtor	-	130
Other debtor	500	500
	<u>25,886</u>	<u>27,048</u>

Chase Community Solar Limited
Notes to the Accounts
for the year ended 31 December 2019

7 Creditors: amounts falling due within one year	2019	2018
	£	£
'Pure Leapfrog' loan	13,078	45,490
Trade creditors	-	1,280
Accruals	8,468	403
VAT creditor	1,863	-
Other creditor	307	106
Deferred income	50	50
	<u>23,766</u>	<u>47,329</u>
8 Creditors: amounts falling due after one year	2019	2018
	£	£
'Pure Leapfrog' loan	-	13,078
Deferred income	728	778
	<u>728</u>	<u>13,856</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 2019 is £13,078 (2018: £58,568).

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.

Chase Community Solar Limited
Detailed Revenue Account
for the year ended 31 December 2019

	2019	2018
	£	£
Sales		
Feed in tariff	101,312	99,158
Electricity sales	20,631	20,175
	<u>121,943</u>	<u>119,333</u>
 Cost of sales		
Metering	8,075	8,135
Maintenance	10,130	6,619
Depreciation	48,782	48,797
Insurance	3,043	3,026
VAT paid on free electricity	1,113	1,133
	<u>71,143</u>	<u>67,710</u>
 Operating expenses		
Travel and meeting costs	207	51
Administrative charge	3,707	3,590
Subscriptions	853	999
Bank charges	111	110
Insurance	168	167
Community Fund	10,300	-
Sundry expenses	8	-
Accountancy fees	250	250
	<u>15,604</u>	<u>5,167</u>
 Other operating income		
Other operating income	<u>593</u>	<u>172</u>