

Registration number: 29283R

Bro Dyfi Community Renewables Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2016

Bro Dyfi Community Renewables Limited

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Bro Dyfi Community Renewables Limited

Society Information

Directors

R C Edwards
M J Phillips
J MacDermot
S T Kuznetsov
J E Howarth
D Kerridge
J D Williams
R A Kennedy

Registered office

Unit 1
Dyfi Eco Park
Machynlleth
Powys
SY20 8AX

Accountants

PJE Chartered Accountants
23, College Street
Lampeter
Ceredigion
SA48 7DY

Bro Dyfi Community Renewables Limited

Directors' Report for the Year Ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors of the society

The directors who held office during the year were as follows:

R C Edwards

M J Phillips

J MacDermot (appointed 11 November 2016)

S T Kuznetsov

C Trevelyan (Resigned 21 May 2016)

J E Howarth

D Kerridge

J D Williams

R A Kennedy

The beneficial interests of directors holding office at 31 December 2016 in the shares of the society according to the register of director's interests were as follows:

Membership shares of £1

J Williams 1,700

D Kerridge 2,500

R Edwards 1,200

M Phillips 1,600

S Kuznetsov 2,200

J Howarth 8,500

R Kennedy 500

J MacDermot 100

These directors did not hold any non-beneficial interests in the society.

In accordance with the Co-operatives Rules of Association, one-third of the Board of Directors retire at the Annual General Meeting. A retiring director will be eligible for re-election.

Principal activity

The principal activity of the society is the generation and supply of electricity from renewable sources. Bro Dyfi Community Renewables Ltd is registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014.

Approved by the Board on 12 May 2017 and signed on its behalf by:

.....
S T Kuznetsov
Director

**Independent Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Accounts of
Bro Dyfi Community Renewables Limited
for the Year Ended 31 December 2016**

We report to the members on the unaudited accounts for the year ended 31st December 2016.

The society's officers are responsible for the preparation of the accounts, and they consider the society is entitled to opt out of an audit. It is our responsibility to carry out procedures to enable us to report our opinion.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the members of Bro Dyfi Community Renewables Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Bro Dyfi Community Renewables Limited and state those matters that we have agreed to state to the members of Bro Dyfi Community Renewables Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bro Dyfi Community Renewables Limited and the society's members as a body for our work or for this report.

It is your duty to ensure that Bro Dyfi Community Renewables Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Bro Dyfi Community Renewables Limited. You consider that Bro Dyfi Community Renewables Limited is exempt from the statutory audit requirement for the year.

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants and so our procedures consisted of comparing the accounts with the accounting records kept by the society and making such limited enquiries of officers of the society as we considered necessary for the purposes of this report. These procedures provide the only assurance expressed in our opinion.

In our opinion:

- the accounts, including the revenue and the balance sheet, are in agreement with the accounting records kept by the society under s75 of the Co-operative and Community Benefit Societies Act 2014.
- Having regard only to, and on the basis of, the information contained in those accounting records the revenue account and balance sheet comply with the requirements of the Co-operative and Community Benefit Societies Act 2014 and
- For the preceding year of account, the financial criteria for the exercise of power conferred by section 84 were met in relation to the year.

.....

PJE Chartered Accountants
23, College Street
Lampeter
Ceredigion
SA48 7DY

Date:.....

Bro Dyfi Community Renewables Limited

Profit and Loss Account for the Year Ended 31 December 2016

	Total 31 December 2016 £	Total 31 December 2015 £
Turnover	48,868	100,334
Cost of sales	<u>(132,478)</u>	<u>(70,800)</u>
Gross (loss)/profit	(83,610)	29,534
Administrative expenses	(5,840)	(7,268)
Other operating income	<u>-</u>	<u>8,781</u>
Operating (loss)/profit	<u>(89,450)</u>	<u>31,047</u>
Other interest receivable and similar income	150	225
Interest payable and similar expenses	<u>(10,748)</u>	<u>(7,516)</u>
	<u>(10,598)</u>	<u>(7,291)</u>
(Loss)/profit before tax	3 (100,048)	23,756
Taxation	<u>-</u>	<u>(45)</u>
(Loss)/profit for the financial year	<u><u>(100,048)</u></u>	<u><u>23,711</u></u>

The above results were derived from continuing operations.

The society has no recognised gains or losses for the year other than the results above.

Bro Dyfi Community Renewables Limited

Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	2016 £	2015 £
(Loss)/profit for the year		<u>(100,048)</u>	<u>23,711</u>
Total comprehensive income for the year		<u><u>(100,048)</u></u>	<u><u>23,711</u></u>

The notes on pages 9 to 16 form an integral part of these financial statements.

Bro Dyfi Community Renewables Limited

(Registration number: 29283R)

Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	148,943	169,654
Current assets			
Debtors	5	12,298	21,090
Cash at bank and in hand		<u>88,403</u>	<u>153,324</u>
		100,701	174,414
Creditors: Amounts falling due within one year	6	<u>(19,789)</u>	<u>(9,322)</u>
Net current assets		<u>80,912</u>	<u>165,092</u>
Total assets less current liabilities		229,855	334,746
Creditors: Amounts falling due after more than one year	6	<u>(20,925)</u>	<u>(25,769)</u>
Net assets		<u>208,930</u>	<u>308,977</u>
Capital and reserves			
Called up share capital		214,750	214,750
Profit and loss account		<u>(5,820)</u>	<u>94,227</u>
Total equity		<u>208,930</u>	<u>308,977</u>

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society. In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reliable and prudent
- prepare the financial statements on a going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies 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.

The notes on pages 9 to 16 form an integral part of these financial statements.

Bro Dyfi Community Renewables Limited

(Registration number: 29283R)

Balance Sheet as at 31 December 2016

Approved and authorised by the Board on 12 May 2017 and signed on its behalf by:

.....

R C Edwards

Director

.....

M J Phillips

Director

The notes on pages 9 to 16 form an integral part of these financial statements.

Bro Dyfi Community Renewables Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital	Profit and loss	Total
	£	account	£
		£	
At 1 January 2016	214,750	94,228	308,978
Loss for the year	-	(100,048)	(100,048)
Total comprehensive income	-	(100,048)	(100,048)
At 31 December 2016	<u>214,750</u>	<u>(5,820)</u>	<u>208,930</u>
	Share capital	Profit and loss	Total
	£	account	£
		£	
At 1 January 2015	214,750	70,516	285,266
Profit for the year	-	23,711	23,711
Total comprehensive income	-	23,711	23,711
At 31 December 2015	<u>214,750</u>	<u>94,227</u>	<u>308,977</u>

The notes on pages 9 to 16 form an integral part of these financial statements.

Bro Dyfi Community Renewables Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

The society is a registered society under the Co-operative and Community Benefit Societies Act 2014

The address of its registered office is:

Unit 1

Dyfi Eco Park

Machynlleth

Powys

SY20 8AX

United Kingdom

These financial statements were authorised for issue by the Board on 12 May 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in sterling which is the functional currency of the society and rounded to the nearest £.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the society's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The society recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the society's activities.

Bro Dyfi Community Renewables Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the society operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
V17 windturbine	15 years straight line
Nordtank windturbine	15 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the society will not be able to collect all amounts due according to the original terms of the receivables.

Bro Dyfi Community Renewables Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the society does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Membership shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Loss/profit before tax

Arrived at after charging/(crediting)

	2016 £	2015 £
Depreciation expense	<u>20,711</u>	<u>20,712</u>

Bro Dyfi Community Renewables Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

4 Tangible assets

	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost or valuation			
At 1 January 2016	236,539	75,866	312,405
At 31 December 2016	<u>236,539</u>	<u>75,866</u>	<u>312,405</u>
Depreciation			
At 1 January 2016	78,263	64,488	142,751
Charge for the year	<u>15,653</u>	<u>5,058</u>	<u>20,711</u>
At 31 December 2016	<u>93,916</u>	<u>69,546</u>	<u>163,462</u>
Carrying amount			
At 31 December 2016	<u>142,623</u>	<u>6,320</u>	<u>148,943</u>
At 31 December 2015	<u>158,276</u>	<u>11,378</u>	<u>169,654</u>

5 Debtors

	2016 £	2015 £
Trade debtors	9,297	18,194
Other debtors	<u>3,001</u>	<u>2,896</u>
Total current trade and other debtors	<u>12,298</u>	<u>21,090</u>

Bro Dyfi Community Renewables Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

6 Creditors

	Note	2016 £	2015 £
Due within one year			
Trade creditors		5,839	4,610
Other creditors		<u>13,950</u>	<u>4,712</u>
		<u>19,789</u>	<u>9,322</u>
Due after one year			
Deferred income		<u>20,925</u>	<u>25,769</u>

7 Transition to FRS 102

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The date of transition is 2016.

The transition to FRS 102 Section 1A small entities has resulted in no changes in accounting policies to those used previously.

The nature of these changes and their impact on the opening equity and profit for the comparative period are explained in the notes below.

Bro Dyfi Community Renewables Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Balance Sheet at 1 January 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	190,362	-	-	190,362
Current assets				
Debtors	17,450	-	-	17,450
Cash at bank and in hand	115,188	-	-	115,188
	<u>132,638</u>	-	-	<u>132,638</u>
Creditors: Amounts falling due within one year	<u>(7,124)</u>	-	-	<u>(7,124)</u>
Net current assets	<u>125,514</u>	-	-	<u>125,514</u>
Total assets less current liabilities	315,876	-	-	315,876
Creditors: Amounts falling due after more than one year	<u>(30,612)</u>	-	-	<u>(30,612)</u>
Net assets	<u>285,264</u>	-	-	<u>285,264</u>
Capital and reserves				
Called up share capital	214,750	-	-	214,750
Profit and loss account	<u>70,514</u>	-	-	<u>70,514</u>
Total equity	<u>285,264</u>	-	-	<u>285,264</u>

Bro Dyfi Community Renewables Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Balance Sheet at 31 December 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	169,651	-	-	169,651
Current assets				
Debtors	21,091	-	-	21,091
Cash at bank and in hand	153,323	-	-	153,323
	174,414	-	-	174,414
Creditors: Amounts falling due within one year	(9,320)	-	-	(9,320)
Net current assets	165,094	-	-	165,094
Total assets less current liabilities	334,745	-	-	334,745
Creditors: Amounts falling due after more than one year	(25,769)	-	-	(25,769)
Net assets	308,976	-	-	308,976
Capital and reserves				
Called up share capital	214,750	-	-	214,750
Profit and loss account	94,226	-	-	94,226
Total equity	308,976	-	-	308,976

Bro Dyfi Community Renewables Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Profit and Loss Account for the year ended 31 December 2015

	As originally reported	Reclassification	Remeasurement	As restated
Note	£	£	£	£
Turnover	100,334	-	-	100,334
Cost of sales	<u>(70,800)</u>	<u>-</u>	<u>-</u>	<u>(70,800)</u>
Gross profit	29,534	-	-	29,534
Administrative expenses	(7,268)	-	-	(7,268)
Other operating income	<u>8,781</u>	<u>-</u>	<u>-</u>	<u>8,781</u>
Operating profit	<u>31,047</u>	<u>-</u>	<u>-</u>	<u>31,047</u>
Other interest receivable and similar income	225	-	-	225
Interest payable and similar expenses	<u>(7,516)</u>	<u>-</u>	<u>-</u>	<u>(7,516)</u>
	<u>(7,291)</u>	<u>-</u>	<u>-</u>	<u>(7,291)</u>
Profit before tax	23,756	-	-	23,756
Taxation	<u>(45)</u>	<u>-</u>	<u>-</u>	<u>(45)</u>
Profit for the financial year	<u><u>23,711</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>23,711</u></u>

Bro Dyfi Community Renewables Limited

Detailed Profit and Loss Account for the Year Ended 31 December 2016

	2016 £	2015 £
Turnover (analysed below)	48,868	100,334
Cost of sales (analysed below)	<u>(132,478)</u>	<u>(70,800)</u>
Gross (loss)/profit	<u>(83,610)</u>	<u>29,534</u>
Gross profit (%)	(171.09)%	29.44%
Administrative expenses		
General administrative expenses (analysed below)	(5,806)	(7,268)
Finance charges (analysed below)	<u>(34)</u>	<u>-</u>
	(5,840)	(7,268)
Other operating income (analysed below)	<u>-</u>	<u>8,781</u>
Operating (loss)/profit	<u>(89,450)</u>	<u>31,047</u>
Other interest receivable and similar income (analysed below)	150	225
Interest payable and similar expenses (analysed below)	<u>(10,748)</u>	<u>(7,516)</u>
	<u>(10,598)</u>	<u>(7,291)</u>
(Loss)/profit before tax	<u><u>(100,048)</u></u>	<u><u>23,756</u></u>

Bro Dyfi Community Renewables Limited

Detailed Profit and Loss Account for the Year Ended 31 December 2016

	2016 £	2015 £
Turnover		
Sale of goods, UK	44,024	100,334
Grants and subsidies receivable	4,844	-
	<u>48,868</u>	<u>100,334</u>
Cost of sales		
Commissions payable	(2,400)	(2,400)
Rent and rates	(2,650)	(3,653)
Subscriptions	(550)	(350)
Light, heat and power	(5,367)	(4,652)
Telephone	(334)	(299)
Repairs and maintenance	(5,013)	(35,432)
Replacement Gearbox	(92,131)	-
Depreciation of plant and machinery	(5,058)	(5,059)
Depreciation of fixtures and fittings	(15,653)	(15,653)
Insurance	(3,322)	(3,302)
	<u>(132,478)</u>	<u>(70,800)</u>
General administrative expenses		
Charitable donations	(2,150)	(1,505)
Sundry expenses	-	(584)
Administrative expenses	(1,442)	(2,102)
Travel and subsistence	(20)	(39)
Committee expenses	(198)	(390)
Advertising	(65)	(95)
Bookkeeping	(1,255)	(1,126)
Accountancy fees	(476)	(317)
Legal and professional fees	(200)	(1,110)
	<u>(5,806)</u>	<u>(7,268)</u>
Finance charges		
Bank charges	(34)	-

This page does not form part of the statutory financial statements.

Bro Dyfi Community Renewables Limited

Detailed Profit and Loss Account for the Year Ended 31 December 2016

Other interest receivable and similar income

Bank interest receivable	<u>150</u>	<u>225</u>
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Interest payable and similar expenses

Share-based payment expense	<u>(10,748)</u>	<u>(7,516)</u>
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