

Registration number: 29283R

# Bro Dyfi Community Renewables Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2017

# Bro Dyfi Community Renewables Limited

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# Bro Dyfi Community Renewables Limited

## Society Information

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**Directors**

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

**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 2017

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The directors present their report and the financial statements for the year ended 31 December 2017.

#### Directors of the society

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

R C Edwards

M J Phillips

J MacDermot

S T Kuznetsov

R A Kennedy

J E Howarth

D Kerridge

J D Williams

#### 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.

#### Summary of the Year

Bro Dyfi Community Renewables Ltd (BDCR) currently owns and operates two wind turbines. In 2017 BDCR's Nordtank 500kW wind turbine generated a total of 743,613kWh of electricity. This is equivalent to the annual electricity consumption of approximately 160 households and represents a carbon emissions saving of around 310 tonnes of CO<sub>2</sub>.

In August 2017 there was a share interest payment to BDCR's members totalling £5,369. In addition, a donation of £1075 was made to Ecodefyfi - a local regeneration organisation.

5 people ceased to be members during 2017, while 3 joined, resulting in a membership of 203 on 31/12/2017.

Approved by the Board on ..... and signed on its behalf by:

.....

J MacDermot  
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 2017**

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We report to the members on the unaudited accounts for the year ended 31 December 2017.

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 Board of Directors 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 Board of Directors 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 its Board of Directors, 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 profit 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 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 account 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

### Statement of Income and Retained Earnings for the Year Ended 31 December 2017

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	Note	2017 £	2016 £
Turnover		76,007	48,868
Cost of sales		<u>(50,360)</u>	<u>(132,478)</u>
Gross profit/(loss)		25,647	(83,610)
Administrative expenses		<u>(6,510)</u>	<u>(5,840)</u>
Operating profit/(loss)		<u>19,137</u>	<u>(89,450)</u>
Other interest receivable and similar income		15	150
Interest payable and similar charges		<u>(5,369)</u>	<u>(10,748)</u>
		<u>(5,354)</u>	<u>(10,598)</u>
Profit/(loss) before tax	3	13,783	(100,048)
Taxation		<u>(3)</u>	<u>-</u>
Profit/(loss) for the financial year		13,780	(100,048)
Retained earnings brought forward		<u>(5,820)</u>	<u>94,228</u>
Retained earnings carried forward		<u><u>7,960</u></u>	<u><u>(5,820)</u></u>

The notes on pages 8 to 12 form an integral part of these financial statements.

## Bro Dyfi Community Renewables Limited

### Statement of Comprehensive Income for the Year Ended 31 December 2017

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	Note	2017 £	2016 £
Profit/(loss) for the year		<u>13,780</u>	<u>(100,048)</u>
Total comprehensive income for the year		<u><u>13,780</u></u>	<u><u>(100,048)</u></u>

The notes on pages 8 to 12 form an integral part of these financial statements.

## Bro Dyfi Community Renewables Limited

(Registration number: 29283R)

### Balance Sheet as at 31 December 2017

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	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	4	128,232	148,943
<b>Current assets</b>			
Debtors	5	14,015	12,298
Cash at bank and in hand		<u>107,994</u>	<u>88,403</u>
		122,009	100,701
<b>Creditors: Amounts falling due within one year</b>	6	<u>(11,450)</u>	<u>(19,789)</u>
<b>Net current assets</b>		<u>110,559</u>	<u>80,912</u>
<b>Total assets less current liabilities</b>		238,791	229,855
<b>Creditors: Amounts falling due after more than one year</b>	6	<u>(16,081)</u>	<u>(20,925)</u>
<b>Net assets</b>		<u>222,710</u>	<u>208,930</u>
<b>Capital and reserves</b>			
Called up share capital		214,750	214,750
Profit and loss account		<u>7,960</u>	<u>(5,820)</u>
Total equity		<u>222,710</u>	<u>208,930</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 8 to 12 form an integral part of these financial statements.



**Bro Dyfi Community Renewables Limited**  
**(Registration number: 29283R)**  
**Balance Sheet as at 31 December 2017 (continued)**

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Approved and authorised by the director on .....

.....

R C Edwards  
Director

.....

M J Phillips  
Director

The notes on pages 8 to 12 form an integral part of these financial statements.

## Bro Dyfi Community Renewables Limited

### Notes to the Financial Statements for the Year Ended 31 December 2017

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#### 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

#### 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.

##### 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 2017 (continued)

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#### 2 Accounting policies (continued)

##### Tax

The tax expense for the period comprises current 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 2017 (continued)

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#### 2 Accounting policies (continued)

##### 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 Profit/loss before tax

Arrived at after charging/(crediting)

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Depreciation expense	<u>20,711</u>	<u>20,711</u>

**Bro Dyfi Community Renewables Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)**

**4 Tangible assets**

	<b>Furniture, fittings and equipment £</b>	<b>Other property, plant and equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 January 2017	236,539	75,866	312,405
At 31 December 2017	<u>236,539</u>	<u>75,866</u>	<u>312,405</u>
<b>Depreciation</b>			
At 1 January 2017	93,916	69,546	163,462
Charge for the year	<u>15,653</u>	<u>5,058</u>	<u>20,711</u>
At 31 December 2017	<u>109,569</u>	<u>74,604</u>	<u>184,173</u>
<b>Carrying amount</b>			
At 31 December 2017	<u><u>126,970</u></u>	<u><u>1,262</u></u>	<u><u>128,232</u></u>
At 31 December 2016	<u><u>142,623</u></u>	<u><u>6,320</u></u>	<u><u>148,943</u></u>

**5 Debtors**

	<b>2017 £</b>	<b>2016 £</b>
Trade debtors	10,666	9,297
Other debtors	<u>3,349</u>	<u>3,001</u>
Total current trade and other debtors	<u><u>14,015</u></u>	<u><u>12,298</u></u>

## Bro Dyfi Community Renewables Limited

### Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

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#### 6 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Trade creditors		5,255	5,839
Taxation and social security		4,356	-
Other creditors		<u>1,839</u>	<u>13,950</u>
		<u>11,450</u>	<u>19,789</u>
<b>Due after one year</b>			
Deferred income		<u>16,081</u>	<u>20,925</u>

## Bro Dyfi Community Renewables Limited

### Detailed Profit and Loss Account for the Year Ended 31 December 2017

	2017 £	2016 £
<b>Turnover</b>		
Sale of goods	71,163	44,024
Grants and subsidies receivable	4,844	4,844
	76,007	48,868
<b>Cost of sales</b>		
Commissions payable	2,400	2,400
Rent and rates	2,796	2,650
Subscriptions	545	550
Light, heat and power	5,399	5,367
Telephone	373	334
Repairs and maintenance	6,320	5,013
Replacement Gearbox	8,364	92,131
Depreciation of plant and machinery	5,058	5,058
Depreciation of fixtures and fittings	15,653	15,653
Insurance	3,452	3,322
	50,360	132,478
<b>General administrative expenses</b>		
Charitable donations	1,075	2,150
Administrative expenses	2,088	1,442
Travel and subsistence	26	20
Committee expenses	634	198
Advertising	65	65
Bookkeeping	1,541	1,255
Accountancy fees	275	476
Legal and professional fees	790	200
	6,494	5,806
<b>Finance charges</b>		
Bank charges	16	34
<b>Other interest receivable and similar income</b>		
Bank interest receivable	15	150

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 2017 (continued)**

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**Interest payable and similar expenses**

Share-based payment expense	<u>5,369</u>	<u>10,748</u>
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This page does not form part of the statutory financial statements.