

MORECAMBE BAY COMMUNITY RENEWABLES LTD
Community Benefit Society Number 31421 R

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2019

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MORECAMBE BAY COMMUNITY RENEWABLES LTD
Community Benefit Society Number 31421 R

Legal and administrative information

The society Morecambe Bay Community Renewables Ltd (also known as MORE Renewables) was registered in England and Wales on the 3rd October 2011 under the Industrial and Provident Society Act 1965, (now superseded by the Co-operative and Community Benefit Societies Act 2014) and is governed by its Rules. In June 2015 the Society became a Community Benefit Society, under the 2014 Act.

Directors

Anne C Chapman
Gillian I Fenna
Caroline J Jackson
Stephen J Wrigley (until 16 May 2019)
Alan Marsden (from 16 May 2019)

Gill Fenna was re-elected at the AGM on 11th May 2017. Anne Chapman was re-elected at the AGM on 12 April 2018. Alan Marsden was elected and Caroline Jackson was re-elected at the AGM on 16 May 2019. Stephen Wrigley stood down as a director at the AGM on 16 May 2019.

Registered Number: Community Benefit Society Number 31421 R

Registered Office

Halton Mill
Mill Lane
Halton
Lancaster
LA2 6ND

Bank

Co-operative Bank PLC
P O Box 250, Delf House
Southway,
Skelmersdale
WN8 6WT

MORECAMBE BAY COMMUNITY RENEWABLES LTD
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Report of the Directors

The Directors present their report and the financial statements for the year ended 31 December 2019.

Exemptions

The Directors have decided to take the exemption from audit for this financial period as provided for in its Rules, and agreed by the members on 16 May 2019.

Society Objectives

The society's objectives as stated in the Rules are :

- (a) to establish sustainable renewable technologies; and*
- (b) to enhance the sustainability and resilience of these local communities; and*
- (c) to promote the prudent use of resources, efficient energy use and environmental awareness and behaviour.*

Report for the period

Our solar PV systems at Forge Bank, Halton and at Lancaster Boys and Girls Club produced 90,868 kWh of electricity in 2019, 11% above our predictions. Our income was 14% more than predicted, at 21,800.

Our community benefit payment for 2018 and 2019, a total of £3195 has been retained to be spent in 2020 or future years.

Directors Responsibilities for the Financial Statements

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the society and of the surplus or deficit of the society for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in operation;
- state whether applicable accounting standards of recommended practice have been followed subject to any departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the society and to enable them to prepare financial statements.

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.

MORECAMBE BAY COMMUNITY RENEWABLES LTD
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This report was approved by the Directors on 23 April 2020 and is signed on their behalf by:

Anne Chapman (Secretary)

Gillian Fenna (Treasurer)

MORECAMBE BAY COMMUNITY RENEWABLES LTD
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Income Statement
For the year ended 31 December 2019

	Note	Y.E 31 Dec 2019 £	Y.E 31 Dec 2018 £
TURNOVER	11	21,789	26,148
Administrative Expenses	12	12,539	17,644
OPERATING PROFIT/(LOSS)	2	9,250	8,504
Interest and Community Benefit payable	3	(9,600)	(8,237)
NET PROFIT/(LOSS) BEFORE TAX		(350)	267
Interest Received		169	209
PROFIT/(LOSS) on Ordinary Activities before taxation		(181)	477
Tax on surplus/(deficit) on ordinary activities	4	32	43
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		(213)	434

Statement of total recognised gains and losses

The company does not have any gains or losses to report other than the Profit and Loss for the period.

MORECAMBE BAY COMMUNITY RENEWABLES LTD
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Statement of Financial Position at 31 December 2019

		31 December 2019		31 Dec 2018	
	Notes	£	£	£	£
FIXED ASSETS	5		119,364		126,832
INVESTMENTS	13		5,000		5,000
CURRENT ASSETS					
Debtors	6	4,803		2,233	
Cash at bank and in hand		22,292		20,405	
			27,095		22,638
CREDITORS					
Amounts falling due within one year	7	10,680		9,496	
Loans from Directors	8	-		1,983	
			10,680		11,479
NET CURRENT ASSETS			16,415		11,160
TOTAL ASSETS LESS CURRENT LIABILITIES			140,779		142,991
CREDITORS: Amounts falling due after more than one year			0		0
NET ASSETS			140,779		142,991
CAPITAL AND RESERVES					
Called up Share Capital	9		152,735		154,735
Profit and Loss Account	10		(11,956)		(11,744)
Shareholders' Funds			140,779		142,991

For the year ending 31 December 2019 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.

Members have not required the society to obtain an audit under the above section

The directors acknowledge their responsibilities for:

(a) ensuring that the society keeps proper accounting records
and

(b) preparing financial statements in accordance with FRS 102/1a which give a true and fair view of the state of affairs of the society at the end of the financial year and of its profit or loss (surplus or deficit) for the financial year in accordance with the requirements of the Co-operative and Community Benefit Society Act 2014.

This report was approved by the Directors on:-

23 April 2020

and signed on their behalf by:-

Gill Fenna

MORECAMBE BAY COMMUNITY RENEWABLES LTD
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Notes to the financial statements
For the year ended 31 December 2019

1. ACCOUNTING POLICIES

a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Turnover represent revenue income earned in the year.

c) Expenditure is included in the accounts on an accrual basis

d) Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life, commencing in the financial year following purchase.

Solar PV panels (LCH PV)	4% per annum on straight line basis.
Solar PV panesl additions in 2014 (LCH Terr D PV)	5% per annum on straight line basis
Solar PV panels in shared ownership (B & G C PV)	6.67% on straight line basis

2. OPERATING PROFIT/(LOSS) is stated after charging:-

After charging	2019	2018
Depreciation	7,468	7,468

3. INTEREST AND COMMUNITY BENEFIT PAYABLE

Community benefit payment	1,547	1,647
Interest paid to members	6,189	6,589
Loan interest paid	1,863	0
	9,600	8,237

4. TAXATION

Liability to UK Corporation tax in 2019 was £32 (2018 £43).

	LCH - PV panels	LCH Terr D PV panels	B&GC - PV	Biomass boiler	Total £	Total £
5.FIXED ASSETS COST						
At 1 January	94,839	52,940	15,395	0	163,174	163,174
Additions					0	0
Disposals					0	0
At end of period	94,839	52,940	15,395	0	163,174	163,174
DEPRECIATION						
At 1 January	22,764	10497	3081	0	36,342	28,874
Charge for period	3,794	2,647	1,027	0	7,468	7,468
At end of period	26,558	13,144	4,108	0	43,810	36,342
NET BOOK VALUE						
At 31 December	68,281	39,796	11,287	0	119,364	126,832
At 1 January	72,075	42,443	12,314	0	126,832	134,300

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	<u>2019</u>	<u>2018</u>
	£	£
6. DEBTORS		
Trade debtors	4,803	2,233
	-	-
	<u>4,803</u>	<u>2,233</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	180	203
Accountancy fees	600	600
Share interest payments	6,189	6,589
Community benefit payment	3,195	1,647
HMRC VAT	371	344
HMRC Corporation Tax	145	113
	<u>10,680</u>	<u>9,496</u>

8. LOANS FROM DIRECTORS

Loans from Directors	-	1,983
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Outstanding loans of £1983 for start up costs made by three directors in 2011, were repaid in 2019, along with the bonus due on those loans of £1863.

9. SHARE CAPITAL

Allotted, called up and paid	<u>152,735</u>	<u>154,735</u>
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152,735 Ordinary shares of £1 each

No shares were issued during the year (2018 10,000 shares were issued).

During the year 2,000 shares were withdrawn (2018 20,000 shares withdrawn).

10. RESERVES

At 1 January	(11,744)	(12,178)
Profit/(loss) for the year	<u>(213)</u>	<u>434</u>
At 31 December	<u>(11,956)</u>	<u>(11,744)</u>

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Notes to the Financial Statements
For the year ended 31 December 2019

11. TURNOVER

	<u>2019</u>	<u>2018</u>
Electricity payments	7,651	7,534
Feed in tariffs	14,108	14,013
RHI payments	21	96
Heat payments	9	29
Insurance claim		4,476
	<u>21,789</u>	<u>26,148</u>

12. ADMINISTRATIVE EXPENSES

Maintenance	500	6,588
Insurance of solar PV systems	1,010	1,010
Extension of inverter warranties	1,530	-
Administration costs	1,769	2,087
Bank charges	-	30
Legal and regulatory fees	35	246
Travel, events, conferences and memberships	227	215
Depreciation (see note 5)	7,468	7,468
	<u>12,539</u>	<u>17,644</u>

13. Investments

Shares in Burnside Community Energy, purchased in 2018, to help fund the installation of a solar PV system.

14. RELATED PARTIES

In 2019 fees for administrative support were paid to one Director (2018 one).

15. CONTINGENT LIABILITIES

An extended warranty for the PV systems at Lancaster Cohousing installed in 2014 was purchased in 2019. In 2020 the warranty for the inverter at the Boys and Girls Club will be extended. No provision has been made in these accounts for this purchase.

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MORECAMBE BAY COMMUNITY RENEWABLES LTD

**INDEPENDENT ACCOUNTANTS' REPORT UNDER SECTION 85 OF THE CO-OPERATIVE
AND COMMUNITY BENEFIT SOCIETIES ACT 2014**

We report to the members on the unaudited accounts for the year ended 31st December 2019 set out on pages 5 to 9.

Respective responsibilities of officers and reporting accountants

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

This report is made to the society's members, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the accounts that we have been engaged to compile, report to the society's members that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members, as a body, for our work or for this report.

Basis of opinion

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 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:

- (a) The accounts, including the revenue account and 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;
- (b) Having regard 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
- (c) For the preceding year of account, the financial criteria for the exercise of the power conferred by section 84 were met in relation to the year.

TAYLOR ROBERTSON & WILLETT LTD

Taylor, Robertson & Willett Ltd
95 King Street
Lancaster
Lancashire
LA1 1RH

Date: *9/4/2020*