

Registered number: 09042561

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	Peter Capener Alexandros Germanis (resigned 24 June 2017) Rachel Hayes Dr Robert Rabinowitz (resigned 24 June 2017) Afsheen Rashid Katherine Smyth Deborah Trebilco Philip Wolfe (resigned 24 June 2017) Christopher Rowland (resigned 24 June 2017) Paul Monaghan Mark Kenber (appointed 24 June 2017) Giovanna Speciale (appointed 24 June 2017) Oliver Pendred (appointed 24 June 2017)
Company secretary	Emma Bridge
Registered number	09042561
Registered office	Workstation 15 Paternoster Row Sheffield S1 2BX
Accountants	Shorts Chartered Accountants 2 Ashgate Road Chesterfield S40 4AA

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
(A Company Limited by Guarantee)

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COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

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

Business review

The results for the year ended 31 December 2017 include a deficit, this is due to the way the core grant funding has been allocated. This can lead to fluctuations year on year.

Directors

The directors who served during the year were:

Peter Capener
Alexandros Germanis (resigned 24 June 2017)
Rachel Hayes
Dr Robert Rabinowitz (resigned 24 June 2017)
Afsheen Rashid
Katherine Smyth
Deborah Trebilco
Philip Wolfe (resigned 24 June 2017)
Christopher Rowland (resigned 24 June 2017)
Paul Monaghan
Mark Kenber (appointed 24 June 2017)
Giovanna Speciale (appointed 24 June 2017)
Oliver Pendred (appointed 24 June 2017)

Qualifying third party indemnity provisions

The directors have been granted a qualifying third party indemnity provision under Section 234 of the Companies Act 2006. This indemnity does not provide cover in the event of a director acting fraudulently or dishonestly.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23 June 2018 and signed on its behalf.

Emma Bridge
Secretary

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF COMMUNITY ENERGY ASSOCIATION
(ENGLAND) LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Community Energy Association (England) Limited for the year ended 31 December 2017 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes from the Company accounting records and from information and explanations you have given us.

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 Community Energy Association (England) 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 financial statements of Community Energy Association (England) Limited and state those matters that we have agreed to state to the Board of Directors of Community Energy Association (England) Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Community Energy Association (England) Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Community Energy Association (England) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of Community Energy Association (England) Limited. You consider that Community Energy Association (England) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Community Energy Association (England) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Shorts

Chartered Accountants

2 Ashgate Road
Chesterfield
S40 4AA
23 June 2018

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
(A Company Limited by Guarantee)

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Turnover		96,060	115,246
Cost of sales		(44,002)	(22,360)
Gross profit		52,058	92,886
Administrative expenses		(143,381)	(127,785)
Other operating income	3	75,201	49,000
Operating (loss)/profit		(16,122)	14,101
Interest receivable and similar income		-	67
Interest payable and expenses		(622)	-
(Loss)/profit before tax		(16,744)	14,168
Tax on (loss)/profit		3,983	(3,317)
(Loss)/profit after tax		(12,761)	10,851
Retained earnings at the beginning of the year		14,305	3,454
(Loss)/profit for the year		(12,761)	10,851
Retained earnings at the end of the year		1,544	14,305

The notes on pages 5 to 12 form part of these financial statements.

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09042561

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	6	1,747	1,129
Current assets			
Debtors: amounts falling due within one year	7	26,277	36,105
Cash at bank and in hand		74,446	69,129
		<u>100,723</u>	<u>105,234</u>
Creditors: amounts falling due within one year	8	(100,926)	(92,058)
Net current (liabilities)/assets		(203)	13,176
Total assets less current liabilities		<u>1,544</u>	<u>14,305</u>
Net assets		<u>1,544</u>	<u>14,305</u>
Capital and reserves			
Profit and loss account		1,544	14,305
		<u>1,544</u>	<u>14,305</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 June 2018.

Afsheen Rashid
 Director

Katherine Smyth
 Director

The notes on pages 5 to 12 form part of these financial statements.

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Community Energy Association (England) Limited (registered number: 09042561) is a company limited by guarantee, incorporated in England and Wales. Its registered office is Workstation, 15 Paternoster Row, Sheffield, S1 2BX. The principal activity is to create a voice for the community energy sector while supporting developments and building partnerships.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows.

Office equipment	-	15% Straight line
Computer equipment	-	33% Reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.4 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.5 Grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Income and Retained Earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Other operating income

	2017	2016
	£	£
Grants receivable	75,201	49,000

4. Employees

The average monthly number of employees, including directors, during the year was 14 (2016 - 13).

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

5. Taxation

	2017 £	2016 £
Current tax on profits for the year	-	3,317
Adjustments in respect of previous periods	(3,317)	-
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	(666)	-
	<u> </u>	<u> </u>
Taxation on (loss)/profit on ordinary activities	(3,983)	3,317
	<u> </u>	<u> </u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 19% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
(Loss)/profit on ordinary activities before tax	(16,744)	14,168
	<u> </u>	<u> </u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016 - 20%)	(3,181)	2,834
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	165	-
Capital allowances for year in excess of depreciation	-	(226)
Adjustments to tax charge in respect of prior periods	(801)	-
Increase or decrease in pension fund prepayment leading to an increase (decrease) in tax	-	709
Other differences leading to an increase (decrease) in the tax charge	(166)	-
	<u> </u>	<u> </u>
Total tax charge for the year	(3,983)	3,317
	<u> </u>	<u> </u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

6. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2017	273	1,221	1,494
Additions	271	1,052	1,323
At 31 December 2017	<u>544</u>	<u>2,273</u>	<u>2,817</u>
Depreciation			
At 1 January 2017	31	334	365
Charge for the year on owned assets	72	633	705
At 31 December 2017	<u>103</u>	<u>967</u>	<u>1,070</u>
Net book value			
At 31 December 2017	<u>441</u>	<u>1,306</u>	<u>1,747</u>
At 31 December 2016	<u>242</u>	<u>887</u>	<u>1,129</u>

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

7. Debtors

	2017	2016
	£	£
Trade debtors	20,419	35,610
Deferred taxation	666	-
Other debtors	5,192	495
	26,277	36,105

8. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	497	115
Corporation tax	-	3,317
Other taxation and social security	13,009	15,322
Other creditors	87,420	73,304
	100,926	92,058

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

9. Deferred taxation

	2017 £
Charged to profit or loss	666
At end of year	<u>666</u>

The deferred tax asset is made up as follows:

	2017 £
Accelerated capital allowances	(332)
Tax losses carried forward	893
Pension surplus	105
	<u>666</u>

10. Company status

The company is a private company limited by guarantee and consequently does not have share capital. The liability of each member is limited to £1. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he is a member, or within one year thereafter:

- payment of the debts and liabilities of the company contracted before he ceased to be a member,
- payment of the costs, charges and expenses of winding up, and
- adjustment of the rights of the contributories among themselves.

11. Pension commitments

The company operates a defined contribution pension scheme for the benefit of certain employees. The assets of the scheme are administered in a fund independent from those of the company. The pension contributions payable for the year were £2,849 (2016: £3,545) and an amount of £758 (2016: £6,163) was due to the fund at the year end.

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

12. Related party transactions

Due to the nature of the group's operations and the composition of the board of directors, it is inevitable that transactions will take place with organisations which a member of the board of directors may have an interest. All transactions involving such organisations are conducted on an arm's length basis and in accordance with the company's financial regulations and normal procurement procedures.

The following transactions were undertaken with organisations associated with members of the board of directors. Only transactions other than normal membership fees and expense claims reimbursements are shown here and amounts paid to member companies and other third parties for making available the services of directors are shown.

The company made purchases during the year of £nil (2016: £8,140) from WolfeWare Limited, of which Phillip Wolfe is a director and joint owner.