

Registered number: 09042561

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

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

COMPANY INFORMATION

Directors	Peter Capener Rachel Hayes Afsheen Rashid Katherine Smyth Deborah Trebilco Paul Monaghan (resigned 23 June 2018) Mark Kenber Giovanna Speciale (resigned 23 June 2018) Oliver Pendered Emma Bridge (appointed 24 June 2018) David Billsborough (appointed 23 June 2018)
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
Bankers	Unity Trust Bank

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 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Business review

The results for the year ended 31 December 2018 include a profit, 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
Rachel Hayes
Afsheen Rashid
Katherine Smyth
Deborah Trebilco
Paul Monaghan (resigned 23 June 2018)
Mark Kenber
Giovanna Speciale (resigned 23 June 2018)
Oliver Pendered
Emma Bridge (appointed 24 June 2018)
David Billsborough (appointed 23 June 2018)

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 30 May 2019 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 2018**

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 2018 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes from the Company's 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 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
30 May 2019

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

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Turnover		122,041	96,060
Cost of sales		(31,179)	(44,002)
Gross profit		90,862	52,058
Administrative expenses		(168,869)	(143,381)
Other operating income	3	96,111	75,201
Operating profit/(loss)		18,104	(16,122)
Interest receivable and similar income		15	-
Interest payable and expenses		-	(622)
Profit/(loss) before tax		18,119	(16,744)
Tax on profit/(loss)	5	(3,442)	3,983
Profit/(loss) after tax		14,677	(12,761)
Retained earnings at the beginning of the year		1,544	14,305
Profit/(loss) for the year		14,677	(12,761)
Retained earnings at the end of the year		16,221	1,544

The notes on pages 6 to 13 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 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	6	994	1,747
Current assets			
Debtors: amounts falling due within one year	7	34,903	26,277
Cash at bank and in hand		80,803	74,446
		<u>115,706</u>	<u>100,723</u>
Creditors: amounts falling due within one year	8	(100,385)	(100,926)
Net current assets/(liabilities)		15,321	(203)
Total assets less current liabilities		<u>16,315</u>	<u>1,544</u>
Provisions for liabilities			
Deferred tax	9	(94)	-
Net assets		<u>16,221</u>	<u>1,544</u>
Capital and reserves			
Profit and loss account		16,221	1,544
		<u>16,221</u>	<u>1,544</u>

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

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

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 30 May 2019.

Afsheen Rashid
Director

David Billsborough
Director

The notes on pages 6 to 13 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 2018

1. General information

Community Energy Association (England) Limited is a company limited by guarantee, incorporated in England and Wales (registered number: 09042561). Its registered office is Workstation, 15 Paternoster Row, Sheffield, S1 2BX. The principal activity of the Company throughout the year 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 Company's functional and presentation currency is pounds sterling.

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
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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.

The depreciation rates used are:

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

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 such as bank and cash balances, trade and other accounts receivable and payable, loans from banks and other third parties and loans to and from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the transaction price and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.5 Grants

Grants are accounted under the accruals model as permitted by FRS102. 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

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.

2.7 Current and deferred taxation

Tax is recognised in the Statement of Income and Retained Earnings.

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.

3. Other operating income

	2018	2017
	£	£
Grants receivable	96,111	75,201

4. Employees

The average monthly number of employees, including directors, during the year was 12 (2017 - 14).

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	2,682	-
Adjustments in respect of previous periods	-	(3,317)
Deferred tax		
Origination and reversal of timing differences	760	(666)
Taxation on profit/(loss) on ordinary activities	3,442	(3,983)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2017 - higher than) the standard rate of corporation tax in the UK of 19% (2017 - 19%). The differences are explained below:

	2018 £	2017 £
Profit/(loss) on ordinary activities before tax	18,119	(16,744)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19%)	3,442	(3,181)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	165
Adjustments to tax charge in respect of prior periods	-	(801)
Other differences leading to an increase (decrease) in the tax charge	-	(166)
Total tax charge for the year	3,442	(3,983)

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 2018**

6. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2018	544	2,273	2,817
Additions	73	-	73
At 31 December 2018	617	2,273	2,890
Depreciation			
At 1 January 2018	103	967	1,070
Charge for the year on owned assets	68	758	826
At 31 December 2018	171	1,725	1,896
Net book value			
At 31 December 2018	446	548	994
At 31 December 2017	441	1,306	1,747

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. Debtors

	2018	2017
	£	£
Trade debtors	33,047	20,419
Deferred taxation	-	666
Other debtors	1,856	5,192
	<u>34,903</u>	<u>26,277</u>

8. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Bank overdrafts	163	-
Trade creditors	3,721	497
Corporation tax	2,682	-
Other taxation and social security	9,745	13,009
Other creditors	84,074	87,420
	<u>100,385</u>	<u>100,926</u>

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

9. Deferred taxation

	2018 £	2017 £
At beginning of year	666	-
Charged to profit or loss	(760)	666
At end of year	(94)	666

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(189)	(332)
Tax losses carried forward	-	893
Pension surplus	95	105
	(94)	666

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 £6,006 (2017: £2,849) and an amount of £855 (2017: £758) 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 2018

12. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018	2017
	£	£
Not later than 1 year	1,839	-
	1,839	-

13. 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.

There were no transactions with members of the board or with organisations associated with them other than normal membership fees, expense claims, amounts paid to member companies and other third parties for making available the services of directors.

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED

DETAILED ACCOUNTS - UNAUDITED

FOR THE YEAR ENDED 31 DECEMBER 2018

THIS SCHEDULE IS NOT FOR PUBLICATION

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

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
Turnover	122,041	96,060
Cost of sales	(31,179)	(44,002)
Gross profit	<u>90,862</u>	<u>52,058</u>
Gross profit %	74.5 %	54.2 %
Other operating income	<u>96,111</u>	<u>75,201</u>
Less: overheads		
Administration expenses	(168,869)	(143,381)
Operating profit/(loss)	<u>18,104</u>	<u>(16,122)</u>
Interest receivable	15	-
Interest payable	-	(622)
Profit/(Loss) for the year	<u>18,119</u>	<u>(16,744)</u>

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

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
Turnover		
Sales	120,568	95,683
Other income	1,473	377
	<u>122,041</u>	<u>96,060</u>
	<u><u>122,041</u></u>	<u><u>96,060</u></u>
	2018 £	2017 £
Cost of sales		
Purchases	13,277	9,811
Direct manufacturing costs	17,902	34,191
	<u>31,179</u>	<u>44,002</u>
	<u><u>31,179</u></u>	<u><u>44,002</u></u>
	2018 £	2017 £
Other operating income		
Grants receivable	96,111	75,201
	<u>96,111</u>	<u>75,201</u>
	<u><u>96,111</u></u>	<u><u>75,201</u></u>

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED
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**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 £	2017 £
Administration expenses		
Directors fees	-	1,250
Staff salaries	124,283	105,794
Staff pension costs	6,006	2,849
Staff training	529	2,839
Hotels, travel and subsistence	13,542	15,772
Printing and stationery	432	726
Telephone and fax	560	867
General office expenses	1,394	1,484
Advertising and promotion	-	60
Trade subscriptions	6,277	4,588
Charity donations	-	250
Legal and professional	-	1,310
Accountancy fees	1,595	4,350
Bank charges	192	151
Bad debts	4,250	(5,560)
Rent	8,983	5,946
Depreciation	826	705
	168,869	143,381
	168,869	143,381
	2018 £	2017 £
Interest receivable		
Other interest receivable	15	-
	15	-
	2018 £	2017 £
Interest payable		
Bank loan interest payable	-	3
Other loan interest payable	-	619
	-	622
	-	622