



Mutual Societies Annual Return Form (AR30)

For societies registered under the Co-operative and Community Benefit Societies Act 2014

Society name:

Reading Hydro Community Benefit Society

Important information you should read before completing this form

You must use this form if you are a:

- registered society (previously referred to as an 'industrial and provident society')
- co-operative society
- community benefit society

registered under the Co-operative and Community Benefit Societies Act 2014.

You must submit this form and the society's accounts within 7 months of the end of your financial year. Failure to submit is an offence for which the society may be prosecuted.

Please note:

- we have an information note that may assist you in completing this application
- any personal details you give on the form will be placed on the society's public file.
- it is important you give accurate and complete information and disclose all relevant information. If you do not, it may take us longer to process your annual return.

Please keep a copy of the form and supporting documents for future reference.

Terms in this form

'FCA', 'PRA', 'us' and 'we' refer to the Financial Conduct Authority or Prudential Regulation Authority.

'You' refers to the person signing the form on behalf of the society.

'The 2014 Act' is the Co-operative and Community Benefit Societies Act 2014



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For societies registered under the Co-operative and Community Benefit Societies Act 2014

Filling in the form

1 If you are using your computer to complete the form:

- use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question; and
- print the completed form and arrange for it to be signed by all relevant individuals.

2 If you are filling in the form by hand:

- use black ink;
- write clearly; and
- arrange for it to be signed and dated by all relevant individuals.

3 If you make a mistake, cross it out and initial the changes; do not use correction fluid.

4 If you:

- leave a question blank;
- do not get the form signed; or
- do not attach the required supporting information

without telling us why, we will treat the application as incomplete. This will increase the time taken to assess your application.

5 If there is not enough space on the form, you may use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number. Any separate sheets should be signed by the signatories to the form.

6 Email a scanned copy of the signed form and supporting documents to

mutualsannrtns@fca.org.uk

or send it by post to:

Mutuals Team
Financial Conduct Authority
25 The North Colonnade
Canary Wharf
LONDON
E14 5HS

7. Please make sure you include:

- this form
- a set of printed accounts – signed by two members and the secretary (3 signatures in total)
- an audit report or accountant's report where required; and
- any supporting documents.

1

Details of society

1.1 Details of the society

Register number	7212
Registered office address	35 London Street Reading
Postcode	RG1 4PS

1.2 Year end date (dd/mm/yyyy)

See Note 1.2

3	0	/	0	9	/	2	0	1	7
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Committee of management

If you are a club you do not need to give a year of birth in questions 1.3-1.6.

The names of the members of the Committee at the date on which the return is signed should be entered below in BLOCK CAPITALS.

1.3 Details of Chairman

Name	Sophie Paul (formerly Fenwick-Paul)
Address	68 Peppard Road Reading
Postcode	RG4 8TL
Year of birth	1968
Business occupation and other directorships	Consultant, sustainability and IT

1.4 Details of Treasurer

Name	Sarah Rigby
Address	15 Luscinia View Napier Road Reading
Postcode	RG1 8AB
Year of birth	1976
Business occupation and other directorships	Project manager

1.5 Details of Secretary

Name	Anne Wheldon
Address	28 Northcourt Avenue Reading
Postcode	RG2 7HA
Year of birth	1954
Business occupation and other directorships	Retired

1.6 Details of Members of the Committee

Name	Address	Year of birth	Business occupation and other directorships
Antony Cowling	7 South Drive Sonning RG4 6GB	1954	Sustainability consultant
Erica Purvis	148 Kennet Drive Reading RG1 3GG	1983	Design engineer
Anthony Simpson	12 Morlais Emmer Green RG4 8PQ	1972	Reasearch associate
		yyyy	
		yyyy	
		yyyy	

Please use separate sheets of paper if you need more space, following the instructions provided in section 5 above.

Please indicate how many separate sheets of paper you have used

0

Please continue, answering all questions.

1.7 Are any members of the society's committee disqualified as directors under the Company Director Disqualification Act 1986?

- ☒ No
☐ Yes

1.8 Does the society carry out any activity which is regulated under the Financial Services and Markets Act 2000? (e.g. accepting deposits in a form other than withdrawable shares; offering insurance products; undertaking residential mortgage business). If 'yes' please state the society's Financial Services Register firm reference number

- ☒ No
☐ Yes

Financial Services Register firm reference number

1.9 Is the society a subsidiary of another society?

- ☒ No
☐ Yes

1.10 Does the society have one or more subsidiaries?

- ☒ No
☐ Yes

1.11 Is the society currently accepted by the HM Revenue and Customs as a charity for tax purposes?

- ☒ No
☐ Yes

Please confirm you have attached a copy of the letter from HM Revenue and Customs confirming charitable tax status:

- ☐ Yes

1.12 Is this society a charity registered with the Office of the Scottish Charity Regulator (OSCR)?

- ☒ No
☐ Yes ► provide your Scottish Charity number below

1.13 Is the society registered with one of the following (please tick)?

- ☐ Homes and Communities Agency
☐ The Welsh Ministers
☐ Scottish Housing Regulator

If so, please provide your register number

All societies must answer the following questions:

- if a **bona fide co-operative society** go to question 1.14
- if **existing for the benefit of the community** go to question 1.19

Bona fide co-operative society

1.14 How did members benefit from the business, industry or trade of the society during the year?

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1.15 Is membership of the society required to obtain the benefits offered by it?

- ☐ Yes
☐ No

1.16 In what way did members participate in an ongoing basis in the society's primary business during the year?

--

1.17 How did members democratically control the society?

--

1.18 How did the society use any surplus/profit?

If the society distributed the surplus/profit to members please explain how this was done.

--

Please use separate sheets of paper if you need more space (see section 5 above)

Please indicate how many separate sheets of paper you have used.

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Continue to 2.1

Community benefit society**1.19 Who are the community the society benefited?**

When the hydroelectric scheme is built, the people of Reading will benefit.

1.20 How did the society benefit that community during the year?

No direct benefit as yet because hydroelectric scheme is not yet built.

1.21 How did the society use any surplus/profit?

None to distribute

Please use separate sheets of paper if you need more space (see section 5 above).

Please indicate how many separate sheets of paper you have used.

0

Continue to 2.1

2

Statistics

Account details

2.1 You must enter the figures below

See notes for help on items E-T. Enter NIL where applicable

A	Members at beginning of year	4
B	Members ceased during year	0
C	Members admitted during year	40
D	Members at end of year	44
E	Turnover for year	£60
F	Total of income and expenditure (receipts and payments added together)	£120
G	Net surplus/(deficit) for year	£0
H	Fixed assets	£0
I	Current assets	£44
J	Total assets (equal to amount in row O, below)	£44
K	Current liabilities	£0
L	Share capital	£44
M	Long-term liabilities	£0
N	Reserves	£0
O	Total liabilities, share capital & reserves (K+L+M+N) (equal to amount in J above)	£44
All societies (excluding clubs) must complete boxes P-T		
P	Investments in other registered societies	£0
Q	Loans from members	£0
R	Loans from Employees' Superannuation Schemes	£0
S	Dividends on sales	£0
T	Share interest	£0

2.2 Names of subsidiaries as defined in sections 100 and 101 of the Co-operative and Community Benefit Societies Act 2014

n/a

2.3 Names of subsidiaries not dealt with in group accounts (if any) and reasons for exclusions (as approved by the FCA)

The society must have written authority from us to exclude a subsidiary from group accounts

n/a

3

The audit

3.1 Type of audit used for the attached accounts.

If the society has used a full professional audit or an accountant's report then the report must be prepared by a registered auditor.

- ☐ Full professional audit ▶ Continue to section 4
- ☐ Accountant's report ▶ Complete questions 3.2 and 3.3
- ☒ Lay audit ▶ Complete questions 3.2 and 3.3
- ☐ Unaudited ▶ Complete questions 3.2 and 3.3

3.2 Do the society's registered rules allow the society not to undertake a full professional audit?

- ☐ No
- ☒ Yes

3.3 Has the membership passed at a general meeting a resolution allowing the society not to undertake a full professional audit for the year of account in question? (In accordance with section 84 of the Co-operative and Community Benefit Societies Act 2014)

- ☒ No
- ☐ Yes

4

Accounts and signature

Accounts

4.1 Date on which the accounts and balance sheet will be/were laid before the AGM (dd/mm/yyyy)

2	7	/	0	3	/	2	0	1	8
---	---	---	---	---	---	---	---	---	---

4.2 Has your society produced accounts to the minimum standard required?

☒ Yes ▶ you must confirm that you have attached the accounts and the audit/accountant's report bearing the original signatures of the auditor (if required by law), the secretary and the two committee members. ☒ Attached

☐ No ▶ you must produce accounts to the minimum standard required, see notes for details.

Signature – all societies to complete

4.3 The Secretary of the society must sign and date below

I certify that the information in this form is correct to the best of my knowledge and belief.

Name	Anne Wheldon
Signature	
Phone number	0791 391 3997
Email	anne@w-b.org.uk
Date	30/03/18

4

Accounts and signature

Accounts

- 4.1 Date on which the accounts and balance sheet will be/were laid before the AGM
(dd/mm/yyyy)

2	7	/	0	3	/	2	0	1	8
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- 4.2 Has your society produced accounts to the minimum standard required?

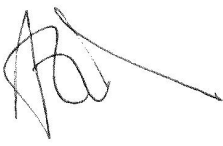
☒ Yes ▶ you must confirm that you have attached the accounts and the audit/accountant's report bearing the original signatures of the auditor (if required by law), the secretary and the two committee members. ☒ Attached

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Signature – all societies to complete

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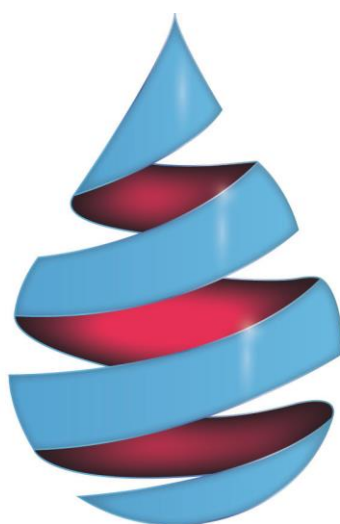
I certify that the information in this form is correct to the best of my knowledge and belief.

Name	Anne Wheldon
Signature	
Phone number	0791 391 3997
Email	anne@w-b.org.uk
Date	30/03/18

Reading Hydro Community Benefit Society Ltd

Annual Report and Financial Statements

for year ended 30th September 2017



Reading Hydro is a Community Benefit Society registered with the Financial Conduct Authority

Registration Number: 7212

Registered Address: 35-39 London Street, Reading, RG1 4PS

reading.hydro.cbs@gmail.com

hydro.readinguk.org

Reading Hydro Ltd

Society Information

Directors

Tony Cowling
Sophie Paul (formerly Sophie Fenwick-Paul)
Anne Wheldon
Sarah Rigby
Erica Purvis
Anthony Simpson

Registered Office

35-39 London Street, Reading, RG1 4PS

Registration Number 7212

Bankers

Metro Bank
201 Broad Street Mall
Reading
Berkshire
RG1 7QA

Reading Hydro CBS Limited

Directors' Report for the Year Ended 30 September 2017

Principal activity

The principal long term activity of the Society is planned to be the generation and sale of electricity from renewable sources. To this end, the current main activity is taking steps to build a hydro electricity generating scheme at Caversham Weir in Reading. The Society engages its members with the activities of the Society and aims to grow the membership.

Review of the business

We have pushed forward with our plan to install a community owned hydro generation scheme on the Thames at Caversham Lock, Reading. To that end, by the end of the reporting year to 30 September 2017 we had:

- Gained abstraction licences from the Environment Agency
- Been awarded planning permission for our initial plans
- Established Reading Hydro CBS Ltd duly constituted with directors
- Grown the membership from 0 to 44
- Involved many skilled individuals to voluntarily assist with the project
- Presented to groups of individuals such as Reading Geeks and Reading Soup and contributed to the RG Spaces All of a Twist exhibition
- Developed links with related organisations, such as TRSC (The Reading Sustainability Centre), the Things Network, GREN (Greater Reading Environmental Network), VerdErg, Renewables First, Energy4All, HydroMatch, Energy Local, Low Carbon Hub, Reading Geeks, various other Reading sustainability and technology groups
- Engaged with the Environment Agency, Reading Borough Council, Scottish and Southern Electricity Networks
- Researched suitable and cost-effective technologies

Over the next financial year we will

- Enhance our publicity with a new website, regular newsletters, a professional logo alongside promotional material (posters, flyers, generic business card)
- Work to gain all permissions needed to register for the Feed in Tariff and build the hydro plant
- Build relationships with potential partners
- Improve our route to membership and supporters experience
- Refine our financial model
- Detail our project plan and business plan

- Engage with a primary school science club, and explore further educational opportunities
- Apply for various sources of funding to support the financial and technical viability of the project, as well as to promote greater visibility of the scheme
- Develop a number of awareness raising and fundraising initiatives
- Attend and speak further at related events and Reading based groups

Summary of the financial position

During the reporting year Reading Hydro opened a bank account with Metro Bank, Reading.

The finances for the 2017 financial year comprise one payment, one donation to cover that payment, and membership fees. The income and expenditure were each £60, so there was neither a surplus or deficit. £44 has been received from the issue of share capital as Members' Equity.

Outlook and principal risks and uncertainties

The outlook is for continued finance from new membership fees, in addition to income from the receipt of grants and donations.

The directors remain committed yet realistic, and additional capable and resourceful members continue to be attracted to the project.

The principal risks for the following financial year relate to finding the necessary funds and mechanisms to meet the next project gate and prove the financial and technical viability of the hydro project. Greater funding and expenditure activities will increase the requirements for tight financial management of the Society, though the finances will remain relatively straightforward and simple during this phase.

There are also risks from any potential future partners or contractors in the project not being able fulfil their role in the project in any way, for example due to insolvency. If they are a necessary part of the project where viable alternatives are not possible, then this would endanger the future of the project. Therefore, when arrangements with potential partners are being negotiated and agreed, open discussion and clear definition of contingency plans will be used to mitigate such risks.

At the close of this reporting year the Society has no significant assets apart from a low level of funds in the bank account, and it is not expected to diversify its assets in the next financial year. It is possible that the planning permission and Environment Agency permissions could have a value, but this is not quantifiable.

Interest payments and capital returns to members

There will be no interest payments or capital returns from the activity of the Society this year.

Incorporation and member engagement

The Society became Reading Hydro CBS Ltd in September 2016 (formerly Berkshire Energy Pioneers CBS as incorporated in September 2015).

On the 30th September 2017 the number of members of the Society was 44.

Member and community engagement are important aspects of the Society's governance and we welcome support, ideas, comments and assistance.

Anyone can contact us by emailing reading.hydro.cbs@gmail.com, through the Reading Hydro Project Facebook group, through @rdghydro on Twitter or Instagram, and by signing up for our newsletter via our website: hydro.readinguk.org. Anyone can get involved in person by attending our Annual General Meetings and frequent open action evenings and events, which are announced through our main communication channels above.

Our Society's community engagement involves an increasing variety of events and publicity, including a strong online presence and attractive e-newsletter, press releases, action evenings, public social gatherings, partnership with other community groups, and educational links.

Board Procedures

The board meets every two to three weeks either online or in person, to review the operations of the Society and to take any necessary decisions about the governance, management and future direction of the Society. During this project definition and building stage of the Society, board activity is necessarily frequent, demanding and multi-faceted.

Once the hydro scheme is in place a new phase of governance will commence.

Directors of the Society

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

- Tony Cowling
- Sophie Paul (formerly Sophie Fenwick-Paul)
- Anne Wheldon
- Sarah Rigby
- Erica Purvis
- Anthony Simpson

No directors received remuneration from Reading Hydro CBS Ltd.

Changes to the Board

Under our rules, each year one-third of the elected Directors must stand down and may offer themselves for re-election. We currently have four elected Directors, thus the longest-standing Director, Antony Cowling is standing down at the AGM in 2018. He has offered himself for re-election.

Appointment of auditors

In accordance with section 83 of the Co-operative and Community Benefit Societies Act 2014, we are deemed a small society for this financial year and so have had our accounts audited by two non-qualified persons.

The Directors propose to table a resolution at the March 2018 AGM to disapply section 83 of the Act for 2018, in line with section 84 of the Act, as the cost of auditing is disproportionate to the current scale of the society.

Directors' responsibilities

The rules of the Society require the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the profit or loss of the Society for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable them 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.

This report was approved by the Directors on 21 March 2018 and signed on its behalf by:



Sophie Paul
Chair, Reading Hydro CBS Limited

Audit Statement

We report on the accounts for the year ended 30 September 2017 set out on pages 8 to 11. Our report is made solely to the members of the society, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014.

Respective responsibilities of the board of directors and lay auditors.

The society's board of directors is responsible for the preparation of the accounts, for maintaining proper books of account and for establishing and maintaining a satisfactory system of control.

The directors of Reading Hydro believe it is a small society, as:

- a) the total amount of its receipts and payments in respect of the preceding year of account did not exceed £5,000,
- b) it had no more than 500 members at the end of that year, and
- c) the total value of its assets at the end of that year did not exceed £5,000.

As a small society, it has appointed people who are not qualified auditors (lay auditors) to audit its accounts and balance sheet for the year ended 30 September 2017.

As lay auditors, our procedures consisted of comparing the accounts with the books of account 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. We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of their audit.

Opinion on financial statements

In our opinion:

- the financial statements for the year ended 30 September 2017 give a true and fair view of the state of the society and the society's affairs, and are in agreement with the books of account kept by the society
- having regard only to, and on the basis of the information contained in, the books of account, the financial statement comply with the requirements of the Co-operative and Community Benefit Societies Act 2014
- the society has kept proper books of account, and maintained a satisfactory system of control over its transactions, in accordance with section 75 of the Co-operative and Community Benefit Societies Act 2014


Michael Beaven


John Brunnen

Reading Hydro CBS Ltd

Income statement for the year ended 30 September 2017

	Notes	Oct 15 - Sep 16	Oct 16 - Sep 17
Income			
Donations	2	-	£60
Grants and Bursaries		-	-
Sales		-	-
Total Income		£0	£60
Expense			
Advertising and Promotion		-	-
Charitable Donations		-	-
Cost of Services		-	-
Depreciation Expense		-	-
Dues and Subscriptions	3	-	£60
Miscellaneous Expense		-	-
Professional Fees		-	-
Site development cost		-	-
Total Expense		£0	£60
Operating profit (-loss)		£0	£0
Other Interest and similar income		-	-
Other Interest Payable and similar charges		-	-
Net Profit / - Loss for the Year		£0	£0

The above results were derived from continuing operations. No activities were discontinued in 2017.

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

The notes on pages 10 to 11 form an integral part of these financial statements.

Statement of financial position at 30 September 2017

	Notes	30 Sep 16	30 Sep 17
Assets			
Fixed Assets	5		
Hydro-Electric Plant		-	-
Accumulated Depreciation		-	-
Total Fixed Assets		£0	£0
Current Assets			
Total Accounts Receivable		£4	£0
Total Cash at bank and in hand		£0	£44
Total Current Assets		£4	£44
Current Liabilities			
Accounts Payable		-	-
Total Current Liabilities		£0	£0
Net Current Assets		£4	£44
Total Assets Less Current Liabilities		£4	£44
Net Assets		£4	£44
Capital and Reserves			
Members Equity	6	£4	£44
Profit for the Year		-	-
Shareholder Funds		£4	£44

Signed on behalf of the Board of Directors on 21 March 2018

Sophie Paul – Director and chair

Erica Purvis - Director

Anne Wheldon - Director

Secretary

The notes on pages 10 to 11 form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 30 September 2017

1 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 were 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. There have been no departures from the requirements of FRS 102 Section 1A - small entities.

Basis of Preparation

These financial statements have been prepared using the historical cost convention.

Summary of Disclosure Exemptions

There are no disclosure exemptions applicable to the Society.

Going Concern

In the opinion of the directors, the Society is a going concern.

Revenue Recognition

Turnover is the amount derived from ordinary activities and is stated net of Value Added Tax.

However, no turnover is reported for this year. In accounting terms, turnover means the amount derived from the provisions of goods or services within the company's ordinary activities, therefore donations and other voluntary income which does not derive from the provision of goods and services does not constitute turnover. Similarly, funds from members' equity are an investment in the Society (shareholder funds) and so do not constitute turnover.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

Share Capital

Ordinary shares are classified as equity.

Shareholders' Interest

During the reporting year the shares carried no right to interest, dividend or bonus.

2 Donations

The Society received a donation from a member specifically to cover the annual Regulatory Fee to the Financial Conduct Authority (FCA).

3 Dues and Subscriptions

The sole payment due was the Regulatory Fee to the FCA for a Mutual Society covering the period 1 April 2016 - 31 March 2017.

4 Directors' Remuneration

No Directors received remuneration for the year.

5 Fixed Assets

The Society held no fixed assets during this stage of project development.

6 Members Equity

In the year ended 30 September 2017 £40 in share capital was issued to 40 investors upon admission to membership of the Society. The unpaid share capital from the previous year of £4 became paid up during the reporting year. One share of the Society of the nominal value of £1 is issued to each individual upon admission to membership.