

Annual Return (AR30) form

Section 1 – About this form

An Annual Return must be completed by all societies registered under the Co-operative and Community Benefit Societies Act 2014 ('the Act') (including any societies previously registered under the Industrial and Provident Societies Act 1965) or the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 ('the Act') (including any societies previously registered under the Industrial and Provident Societies Act 1969). The Annual Return must include:

- this form;
- a set of the society's accounts; and
- where required, an audit report or report on the accounts.

A society must submit the Annual Return within 7 months of the end of the society's financial year. Failure to submit on time is a prosecutable offence.

Please note that this form, including any details provided on the form, will be made available to the public through the Mutuels Public Register <https://mutuals.fca.org.uk>.

For guidance on our registration function for societies under the Co-operative and Community Benefit Societies Act 2014, which includes guidance on the requirement to submit an Annual Return, please see here: <https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf>

Section 2 – About this application

Society name	Ludlow Hydro Co-operative Limited
Register number	32086R
Registered address	Ludford Mill, Ludford, Ludlow
Postcode	SY8 1PP

2.1 What date did the financial year covered by these accounts end?

3	1	1	2	2	0	1	8
---	---	---	---	---	---	---	---

Section 3 – People

3.1 Please provide the names of the people who were directors of the society during the financial year this return covers. Some societies use the term 'committee member' or 'trustee' instead of 'director'. For ease of reference, we use 'director' throughout this form.

Name of director	Month and year of birth	
Richard Bickerton	May	1951
Anthony Cant	April	1941
Clare Greener	October	1965
Angus Marshall	January	1963
Jeffery Rooker	June	1941
Anthony Shuster	May	1953
Clive Walker	October	1960

Continue on to a separate sheet if necessary.

3.2 All directors must be 16 or older. Please confirm this is this case:

All directors are aged 16 or over ☒

3.3 Societies are within the scope of the Company Directors Disqualification Act 1986 (CDDA). Please confirm that no director is disqualified under that Act:

No director is disqualified ☒

3.4 Please state any close links which any of the directors has with any society, company or authority. 'Close links' includes any directorships or senior positions held by directors of the society in other organisations.

Anthony Shuster is a Director of: AGS Chemicals Limited; AGS Chemicals & Products Limited.

Angus Marshall is a Trustee of Shrewsbury Homes For All.

Jon Hallé (no longer Secretary as of 21st Feb 2019) is a Director of: Heartland Community Wind Limited; The Small Wind Co-operative Limited; Sharenergy Co-operative Limited.

3.5 Please provide the name of the person who was secretary at the end of the financial year this return covers. Societies must have a secretary.

Name of secretary	Month and year of birth	
Jon Hallé	July	1973

NB current Secretary is Angus Marshall

Section 4 – Financial information

4.1 Please confirm that:

accounts are being submitted with this form ☒

the accounts comply with relevant statutory and accounting requirements ☒

the accounts are signed by two members and the secretary (3 signatures in total) ☒

4.2 Based on the accounts, please provide the information requested below for the financial year covered by this return.

Number of members	172
Turnover	42001
Assets	400814
Number of employees (if any)	NIL
Share capital	400603
Highest rate of interest paid on shares (if any)	2.5%

4.3 What Standard Industrial Classification code best describes the society's main business? Where more than one code applies, please select the code that you feel best describes the society's main business activity. You will find a full list of codes here: <http://resources.companieshouse.gov.uk/sic/>

35110 – Production of electricity

Section 5 – Audit

Societies are required to appoint an auditor to audited unless they are small or have disapplied this requirement. For further guidance see chapter 7 of our guidance: <https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf>

5.1 Please select the audit option the society has complied with:

- | | |
|----------------------------------|-------------------------------------|
| Full professional audit | <input type="checkbox"/> |
| Auditor's report on the accounts | <input type="checkbox"/> |
| Lay audit | <input type="checkbox"/> |
| No audit | <input checked="" type="checkbox"/> |

5.2 Please confirm the audit option used by the society is compliant with the society's own rules and the Act

We have complied with the audit requirements ☒

5.3 Please confirm any audit report (where required) is being submitted with this Annual Return

Yes ☐

Not applicable ☒

The information below impacts the level of audit required of the society's accounts. Please provide answers to the following questions.

5.4 Is this society accepted by HM Revenue and Customs (HMRC) as a charity for tax purposes?

Yes ☐

No ☒

5.5 If the society is registered with the Office of the Scottish Charity Regulator (OSCR) please provide your OSCR registration number.

Not applicable ☒

OSCR number:	
--------------	--

5.6 Is the society a housing association?

No ☒ Go to **section 6**

Yes ☐ Go to question **5.7**

5.7 Please confirm which housing regulator you are registered with, and provide the registration number they have given you:

		Registration number
Homes and Communities Agency	<input type="checkbox"/>	
Scottish Housing Regulator	<input type="checkbox"/>	
The Welsh Ministers	<input type="checkbox"/>	
Department for Communities (Northern Ireland)	<input type="checkbox"/>	

Section 6 – Subsidiaries

6.1 Is the society a subsidiary of another society?

Yes ☐

No ☒

6.2 Does the society have one or more subsidiaries? (As defined in sections 100 and 101 of the Act)

Yes ☐ Continue to question 6.3

No ☒ Continue to Section 7

6.3 If the society has subsidiaries, please provide the names of them below (or attach an additional sheet)

Registration Number	Name

6.4 Please provide below (or on a separate sheet) the names of subsidiaries not dealt with in group accounts (if any) and reasons for exclusions: (the society must have written authority from us to exclude a subsidiary from group accounts)

Registration Number	Name	Reason for exclusion

Section 7– Condition for registration

All societies are registered meeting one of two conditions for registration. These are that the society is either:

- a bona fide co-operative society ('co-operative society'); **or**
- are conducting business for the benefit of the community ('community benefit society').

A society must answer the questions set out in either Section 7A or Section 7B of this form, depending on which condition of registration it meets.

If you are not sure which condition for registration applies to the society please see chapters 4 and 5 of our guidance:

<https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf>

Section 7A - Co-operative societies

Co-operative societies must answer the following questions in relation to the financial year covered by this return.

7A.1 What is the business of the society? For example, did you provide housing, manufacture goods, develop IT systems etc.

The sole business of the Society is the production of low-carbon electricity from a hydro turbine on the river Teme. The power produced is sold to the local grid.

7A.2 Please describe the members' common economic, social and cultural needs and aspirations. In answering this question, please make sure it is clear what needs and aspirations members had in common.

The members' common needs and aspirations are:

To reduce carbon emissions, in order to tackle climate change and to help promote clean, green technologies;

To produce financial surpluses to support initiatives in the wider local community through the local grants scheme;

To act as an example and inspiration to other local social enterprises and renewable energy schemes.

7A.3 How did the society's business meet those needs and aspirations?

You have described the society's business answer to question 7A.1, and in question 7A.2 you have described the common needs and aspirations of members. Please now describe how during the year that business met those common needs and aspirations.

The Society generated 168.7MWh of renewable electricity in 2018, which is the equivalent of over 0.25 tonnes carbon dioxide saving per member.

7A.4 How did members democratically control the society? For example, did the members elect a board at an annual general meeting; did all members collectively run the society.

The Society is controlled by a Board of Directors elected from its Members. Members participate on a 'one Member, one vote' basis at Annual General Meetings.

7A.5 What did the society do with any surplus or profit? For instance, did you pay a dividend to members (and if so, on what basis); did money get reinvested in the business; put into reserves; used for some other purpose?

The modest surplus was retained by the Society.

Section 7B - Community benefit societies

Community benefit societies must answer the following questions in relation to the financial year covered by this return.

7B.1 What is the business of the society? For example, did you provide social housing, run an amateur sports club etc.

7B.2 Please describe the benefits to the community the society delivered? Here we are looking to see *what* the benefits to the community were. Community can be said to be the community at large. For example, did you relieve poverty or homelessness through the provision of social housing.

7B.3 Please describe how the society's business delivered these benefits? The business of the society must be conducted for the benefit of the community. Please describe *how* the society's business (as described in answer to question 7B.1) provided benefit to the community.

7B.4 Did the society work with a specific community, and if so, please describe it here? For instance, were the society's activities confined to a specific location; or to a specific group of people? Please note that in serving the needs of any defined community, the society should not inhibit the benefit to the community at large.

7B.5 What did the society do with any surplus or profit? For instance, did you donate the money; did money get reinvested in the business; put into reserves; used for some other purpose?

7B.6 Please state any significant commercial arrangements that the society has, or had, with any other organisation that could create, or be perceived as creating, a conflict of interest. Please tell us how you ensured that any such conflict of interest did not prevent the society from acting for the benefit of the community.

Section 8– Declaration

The secretary of the society must complete this section.

Name	Angus Marshall
My signature below confirms that the information in this form is accurate to the best of my knowledge	
Signature	
Position	Secretary & Director
Date	5 July 2019

Section 9 – Submitting this form

Please submit a signed, scanned version of this form along with your accounts and any auditor's report by email to: mutualsannrtns@fca.org.uk.

Or you can post the form to:

Mutual Societies
Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

This form is available on the Mutuels Society Portal:

<https://societyportal.fca.org.uk>

Registered as a Limited Company in England and Wales No. 1920623. Registered office as above.

Registered number
32086R

Ludlow Hydro Co-operative Limited

Report and Unaudited Financial Statements

31 December 2018

Ludlow Hydro Co-operative Limited
Report and accounts
Contents

	Page
Society information	1
Directors' statement	1
Revenue account	2
Balance sheet	3
Notes to the accounts	4

Ludlow Hydro Co-operative Limited
Society Information

Directors

Angus Marshall
Anthony Cant
Richard Bickerton
Jeff Rooker
Claire Greener
Anthony Shuster
Clive Walker

Secretary

Angus Marshall

Registered office

Ludford Mill
Ludford Mill
Ludlow
SY8 1PP

Registered number

32086R

Ludlow Hydro Co-operative Limited
Registered number: 32086R
Directors' Report

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

Principal activities

The Society's principal activity during the year continued to be production of community owned hydro energy.

Directors

The following persons served as directors during the year:

Angus Marshall
Anthony Cant
Richard Bickerton
Jeff Rooker
Claire Greener
Anthony Shuster
Clive Walker

Directors' responsibilities

The law governing Registered Societies requires 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 as at the balance sheet date and of its income and expenditure for the year then ended. In preparing these accounts, 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 co-operative will continue in business.

The directors are responsible for keeping proper books of account such as are necessary to give a true and fair view of the society's state of affairs and to explain its financial transactions. The directors must also establish and maintain a satisfactory system of control of its books of account, its cash holdings and all its receipts and remittances, and hence are also responsible for safeguarding the assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reporting Criteria

This report has been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

This report was approved by the board on 26/3/2019 and signed on its behalf.



Director's signature

ANTHONY SHUSTER
Director's name

Ludlow Hydro Co-operative Limited
Revenue Account
for the year ended 31 December 2018

	Notes	2018 £	2017 £
Turnover		42,001	37,767
Cost of sales		(420)	(333)
Gross profit		<u>41,581</u>	<u>37,434</u>
Operating expenses		(33,484)	(31,256)
Other operating income		-	2
Operating surplus	2	<u>8,097</u>	<u>6,180</u>
Interest receivable		83	-
Interest payable	3	(8,012)	(10,015)
Surplus/(deficit) before taxation		<u>168</u>	<u>(3,835)</u>
Tax on surplus/(deficit)		-	-
Surplus/(deficit) for the financial year		<u>168</u>	<u>(3,835)</u>

Ludlow Hydro Co-operative Limited
Balance Sheet
as at 31 December 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	4	339,797	359,421
Current assets			
Debtors	5	6,184	7,574
Cash at bank and in hand		73,402	55,259
		<u>79,586</u>	<u>62,833</u>
Creditors: amounts falling due within one year	6	(18,569)	(21,608)
Net current assets		<u>61,017</u>	<u>41,225</u>
Net assets		<u>400,814</u>	<u>400,646</u>
Capital and reserves			
Called up share capital		400,603	400,603
Retained surplus		211	43
Shareholders' funds		<u>400,814</u>	<u>400,646</u>

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.

The members have not required the Society to obtain an audit in accordance with the Act.

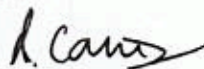
The directors acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Societies Act 2014 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in the Co-operative and Community Benefit Societies Act 2014.

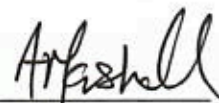
Approved by the board on 26/3/2019



Director's signature



Director's signature



Secretary's signature

Ludlow Hydro Co-operative Limited
Notes to the Accounts
for the year ended 31 December 2018

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2018	392,486
At 31 December 2018	<u>392,486</u>
Depreciation	
At 1 January 2018	33,065
Charge for the year	19,624
At 31 December 2018	<u>52,689</u>
Net book value	
At 31 December 2018	<u>339,797</u>
At 31 December 2017	<u>359,421</u>

5 Debtors

	2018 £	2017 £
Trade debtors	1,194	-
Accrued Income	2,722	5,297
Prepaid expenses	2,268	2,256
	<u>6,184</u>	<u>7,574</u>

6 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	61	3,149
Accruals	15,612	15,931
VAT creditor	368	-
Other creditors	2,528	2,528
	<u>18,569</u>	<u>21,608</u>

Ludlow Hydro Co-operative Limited
Detailed Revenue Account
for the year ended 31 December 2018

	2018 £	2017 £
Sales		
Feed in tariff	32,421	29,530
Electricity sales	9,580	8,237
	<u>42,001</u>	<u>37,767</u>
Cost of sales		
Input Electricity	198	133
Standing charges	72	140
Metering	60	60
Other direct costs	90	-
	<u>420</u>	<u>333</u>
Operating expenses		
Administrative charge	2,596	2,541
Meeting costs	-	50
Rent	6,510	5,854
Regulatory fees	271	262
Bank charges	-	2
Insurance	1,783	1,295
Monitoring	256	79
Repairs and maintenance	2,372	1,354
Depreciation	19,624	19,624
Sundry expenses	72	-
Other legal and professional	-	195
	<u>33,484</u>	<u>31,256</u>
Other operating income		
Exchange gains	<u>-</u>	<u>2</u>