

## Annual Return (AR30) form

Society Name: Edinburgh Community Solar Limited

Society Num: 32277 R

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). 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.

For guidance on our registration function for societies, which includes guidance on the requirement to submit an Annual Return, please see [here](#)

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

30/09/2020

### 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 of Birth	Year of Birth
James Lee	Dec	1957
Margaret Carrie	Feb	1939
Lesley Hinds	Aug	1956
Andrew Murphy	May	1984
Katharine Studd	Oct	1975
Jennifer Allan	Jun	1980

Niall Emmerson	Oct	1987
Kirsty Lewin	Oct	1964
Fiona Harvey	Oct	1991
Gavin Corbett	Oct	1965
Lesley Macinnes	Feb	1961
Karen Doran	Sep	1961
Mark Bitel	Oct	1961
Lezley Cameron	Dec	1964
Crispin Hayes	Dec	1965

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 Director 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.

James Lee  
Lanarkshire Credit Union, Co-operative Education Trust Scotland, Co-op Party Ltd, Allt An Laghain Ltd, Allt Dearg Ltd, Arrochar Community Hydro Society Ltd, Assel Valley Community Renewables Society Ltd, Auchrobert Community Energy Society Ltd, Buchanan Community Hydro Society Ltd, Dundee Renewable Energy Society Ltd, Edinburgh

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 of Birth	Year of Birth
Annette Heslop	Nov	1956

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**

685

**Turnover**

192,980

**Assets**

1,618,907

**Number of Employees**

0

**Share Capital**

1,476,837

**Highest rate of interest  
paid on shares**

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](#)

**SIC Code**

**Production of electricity (35110)**

\*

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

☐ Auditor's report on the accounts

☐ Lay Audit

☒ No audit

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

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.

- ☐ Registered  
☒ Not applicable

5.6 Is the society a housing association?

- ☒ No  
☐ Yes

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  
☒ No

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').

You must answer the questions set out in in the next section of this form, depending on which condition for registration you meet.

If you are not sure which condition for registration applies to the society please see chapters 4 and 5 of our guidance [here](#).

## 7.1 Condition for Registration

- ☐ Co-operative society
- ☒ Community Benefits society

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.

The business of the Society is for the benefit of the community to reduce climate change emissions and to be involved and support the development, installation, management, operation, generation, transmission and provision of the supply of energy from renewable energy and low carbon sources.

To reduce climate change emissions, alleviate fuel poverty, improve energy security and

### 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.

The Society reduced climate change emissions in the United Kingdom, increased the use of renewable energy and reduced the use of non-renewable resources; and the Society contributed towards local communities' efforts to reduce climate change emissions from their communities.

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.

The Society's business delivered these benefits by generating 989,374 kWh of renewable electricity from solar panels in the financial year all of which was used by its host buildings, thereby additionally reducing transmission losses and carbon emissions.

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.

The Society's generation activities are conducted in Edinburgh, presently from 24 specific sites, so having a particular benefit to those communities but the prime benefit of its work is to the community at large. In the year from its community fund the society awarded grants totalling £3488 to two Primary Schools within the local area towards bike racks and a recycling improvement program.

7B.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 Society made a loss this year.

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.

None

Company Registration No. 32277R (England and Wales)

**EDINBURGH COMMUNITY SOLAR LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

# EDINBURGH COMMUNITY SOLAR LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mrs L Hinds Mr J Lee Mr A Murphy Cllr L Macinnes Ms J Allan Mrs F Harvey Dr M Carrie Mr G Corbett Mr N Emmerson Ms K Lewin Mr M Bitel Ms L M Cameron Dr C W Hayes	          (Appointed 26 August 2020) (Appointed 28 March 2020) (Appointed 26 August 2020)
<b>Secretary</b>	Mrs A Heslop MBE	
<b>Company number</b>	32277R	
<b>Registered office</b>	Friends of the Earth Thorn House 5 Rose Street EDINBURGH EH2 2PR	
<b>Accountants</b>	Melville & Co Unit 17-18, Trinity Enterprise Centre Furness Business Park Ironworks Road Barrow-in-Furness LA14 2PN	

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# EDINBURGH COMMUNITY SOLAR LIMITED

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# EDINBURGH COMMUNITY SOLAR LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 SEPTEMBER 2020

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The directors present their annual report and financial statements for the year ended 30 September 2020.

#### Principal activities

The principal activity of the company continued to be that of the supply of electricity from solar energy.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mrs L Hinds	
Ms K Studd	(Resigned 28 March 2020)
Mr J Lee	
Mr A Murphy	
Cllr K Doran	(Resigned 28 March 2020)
Cllr L Macinnes	
Ms J Allan	
Mrs F Harvey	
Dr M Carrie	
Mr G Corbett	
Mr N Emmerson	
Ms K Lewin	
Mr M Bitel	(Appointed 26 August 2020)
Ms L M Cameron	(Appointed 28 March 2020)
Dr C W Hayes	(Appointed 26 August 2020)

In accordance with the rules of the society a proportion of the directors retire at the AGM by rotation and, being eligible may seek re-election.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board



.....  
Mrs A Heslop MBE  
**Secretary**

Dec 18, 2020

Date: .....

# EDINBURGH COMMUNITY SOLAR LIMITED

## CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF EDINBURGH COMMUNITY SOLAR LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 2020

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Edinburgh Community Solar Limited for the year ended 30 September 2020 set out on pages 3 to 9 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 Edinburgh Community Solar Limited, as a body, in accordance with the terms of our engagement letter dated 2 March 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Edinburgh Community Solar Limited and state those matters that we have agreed to state to the Board of Directors of Edinburgh Community Solar Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Edinburgh Community Solar Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Edinburgh Community Solar 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 Edinburgh Community Solar Limited. You consider that Edinburgh Community Solar Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Edinburgh Community Solar 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.

**Melville & Co**

**Chartered Accountants**

  
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Unit 17-18, Trinity Enterprise Centre  
Furness Business Park  
Ironworks Road  
Barrow-in-Furness  
LA14 2PN

# EDINBURGH COMMUNITY SOLAR LIMITED

## PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 30 SEPTEMBER 2020*

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	Notes	2020 £	2019 £
Turnover		192,980	210,448
Cost of sales		(91,866)	(84,615)
		<hr/>	<hr/>
Gross profit		101,114	125,833
Administrative expenses		(31,999)	(42,323)
Other operating income		2,000	4,081
		<hr/>	<hr/>
Profit before taxation		71,115	87,591
Taxation		-	-
		<hr/>	<hr/>
Profit after taxation		71,115	87,591
Members share interest		(82,408)	(81,159)
		<hr/>	<hr/>
(Loss)/Profit for the financial year		(11,293)	6,432
		<hr/> <hr/>	<hr/> <hr/>

# EDINBURGH COMMUNITY SOLAR LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	2	1,428,238		1,291,078	
Investments	3		1		1
		<u>1,428,239</u>		<u>1,291,079</u>	
<b>Current assets</b>					
Work in progress		15,280		8,468	
Debtors	4	82,502		76,767	
Cash at bank and in hand		92,886		102,744	
		<u>190,668</u>		<u>187,979</u>	
<b>Creditors: amounts falling due within one year</b>	5	(156,119)		(8,067)	
<b>Net current assets</b>			34,549		179,912
<b>Total assets less current liabilities</b>		<u>1,462,788</u>		<u>1,470,991</u>	
<b>Capital and reserves</b>					
Called up share capital	6	1,476,837		1,476,837	
Other reserves		(28,065)		(34,067)	
Profit and loss reserves		14,016		28,221	
<b>Total equity</b>		<u>1,462,788</u>		<u>1,470,991</u>	

For the financial year ended 30 September 2020 the company was entitled to exemption from audit. No member of the Co-operative has deposited a notice requiring an audit of these financial statements.


The directors acknowledge their responsibilities for ensuring that the company keeps proper accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the Co-operative as at the end of the financial year and of its profit or loss for the financial year and which otherwise comply with the requirements of the Co-operative and Community Benefit Societies Act 2014 relating to accounts, so far as applicable to the Co-operative.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on .....  
and are signed on its behalf by:

  
Lesley Hinds (Dec 18, 2020 13:32 GMT)

.....  
Mrs L Hinds  
Director

  
.....  
Mr N Emmerson  
Director

Company Registration No. 32277R

# EDINBURGH COMMUNITY SOLAR LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	Share capital £	Community fund reserve £	Share offer costs £	Profit and loss reserves £	Total £
<b>Balance at 1 October 2018</b>		1,477,497	-	(55,621)	40,253	1,462,129
<b>Year ended 30 September 2019:</b>						
Profit and total comprehensive income for the year		-	-	-	87,591	87,591
Members share interest		-	-	-	(81,159)	(81,159)
Shares repurchased		(660)	-	-	-	(660)
Transfers into community reserve	6	-	37,226	-	(37,226)	-
Transfers from profit and loss (community payments made)		-	(18,762)	-	18,762	-
Share offer costs - released in year		-	-	3,090	-	3,090
<b>Balance at 30 September 2019</b>		1,476,837	18,464	(52,531)	28,221	1,470,991
<b>Year ended 30 September 2020:</b>						
Profit and total comprehensive income for the year		-	-	-	71,115	71,115
Members share interest		-	-	-	(82,408)	(82,408)
Transfers into community reserve		-	6,400	-	(6,400)	-
Transfers from profit and loss (community payments made)		-	(3,488)	-	3,488	-
Share offer costs - released in year		-	-	3,090	-	3,090
<b>Balance at 30 September 2020</b>		1,476,837	21,376	(49,441)	14,016	1,462,788

# EDINBURGH COMMUNITY SOLAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Edinburgh Community Solar Limited is a society registered under the Co-operative and Community Benefit Societies Act 2014. The registered office is Friends of the Earth, Thorn House, 5 Rose Street, EDINBURGH, EH2 2PR.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The disclosure requirements of section 1A of FRS 102 applicable to smaller companies have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for electricity generated by solar panels from the Feed in Tariff and from selling excess electricity generated provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	5% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

No depreciation is charged in the year of acquisition of the asset.

#### **1.4 Stocks**

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Work in progress comprises preparatory costs incurred at new sites. These costs will be transferred to fixed assets when the related solar panels are acquired.

# EDINBURGH COMMUNITY SOLAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.7 Grants

Grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.8 Share offer costs

Share offer costs are capitalised as a negative reserve and are released to profit on the same basis as the underlying assets that the share offer financed, being 5% on cost from the year when all the plant became operational.

#### 1.9 Members share interest

Share interest has been calculated by applying the target share interest rate in the share offer document.



# EDINBURGH COMMUNITY SOLAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 2 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 October 2019	1,518,553
Additions	213,106
	<hr/>
At 30 September 2020	1,731,659
	<hr/>
<b>Depreciation and impairment</b>	
At 1 October 2019	227,475
Depreciation charged in the year	75,946
	<hr/>
At 30 September 2020	303,421
	<hr/>
<b>Carrying amount</b>	
At 30 September 2020	1,428,238
	<hr/>
At 30 September 2019	1,291,078
	<hr/>

### 3 Fixed asset investments

	2020 £	2019 £
Investments	1	1
	<hr/>	<hr/>

The investment is a minority interest of one share in Energy4All Limited

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 October 2019 & 30 September 2020	1
	<hr/>
<b>Carrying amount</b>	
At 30 September 2020	1
	<hr/>
At 30 September 2019	1
	<hr/>

# EDINBURGH COMMUNITY SOLAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 4 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	19,798	-
Other debtors	62,704	76,767
	<u>82,502</u>	<u>76,767</u>

### 5 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	84,132	2,046
Taxation and social security	-	2,006
Other creditors	71,987	4,015
	<u>156,119</u>	<u>8,067</u>

Other creditors include £70,100 monies received in advance of the phase 2 share offer (note 7).

### 6 Members share capital

	2020 £	2019 £
<b>Members share capital</b>		
<b>Issued and fully paid</b>		
1,476,837 Members shares of £1 each	1,476,837	1,476,837
	<u>1,476,837</u>	<u>1,476,837</u>

### 7 Events after the reporting date

Subsequent to the year end the society undertook the phase 2 share offer where applications were invited to subscribe for up to £660,000 shares to fund the installation of solar panels on up to six more public buildings in Edinburgh.

### 8 Related party transactions

The management services of the Co-operative is carried out by Energy4All Limited, a company which specialises in the setting up, development and management of renewable energy co-operatives. Energy4All Limited charged an administration fee of £17,375 for the year (2019 - £18,940).