

## Annual Return (AR30) form

Society Name: Dane Valley Community Energy Limited

Society Num: 7142

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?

31/12/2020

### 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 |
|------------------|----------------|---------------|
| Paul Guymer      | Aug            | 1955          |
| Peter Aston      | Jul            | 1949          |
| Robert Owen      | Aug            | 1946          |
| Paul Hopewell    | Dec            | 1970          |
| Mervyn Sara      | May            | 1955          |

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.

Robert Malcolm Owen:  
Director - Community and Voluntary Services Cheshire East  
Company No 07019841  
Director - The Creative Learning Partnership Trust  
Company No 10226712

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**

Mervyn Sara

May

1955

**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**

324

**Turnover**

39,684.34

**Assets**

756,214.96

**Number of Employees**

0

**Share Capital**

762,806.00

**Highest rate of interest  
paid on shares**

0

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').

Your society is registered meeting the condition for registration that it is conducting its business for the benefit of the community.

For further information on the condition for registration, please see chapter 5 of our guidance [here](#).

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.

To develop, install and operate a micro hydro generation plant with the proceeds used for the benefit of the local community.

### 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 benefit has been the opportunity for community members to debate and plan the implementation of a micro hydrogeneration plant, the construction thereof, such that when the plant goes into operation ( hopefully August 21), surplus of income over cost may be directed to various community schemes. No members had any pecuniary interest.

### 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.

A share prospectus was issued to enable sufficient funds to be raised to enable the project to go ahead. There was a grand total of 324 investors who purchased shares -many local to the area of Congleton, some from as far afield as Cornwall. The members have been continually informed of progress through a series of Newsletters, and the first AGM was held on 25/06/21.

### 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 works with the Community of Congleton in Cheshire. The Hydroelectric station is based on the River Dane in Congleton at Havannah Weir. Once operational it will generate revenue that after payment of running and admin costs will be used to help in the funding of other community initiatives. The station will also be used as an educational tool to promote "green" thinking.

#### 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 recorded a loss of £90,105.07 in the year as a result of repaying the original WRAP grant ( and premium), amounting to £81,691.55.  
Previously this potential repayment had been shown as a contingent liability because repayment only had to be made once it was known that the project would go ahead and that it was probable that a surplus would be generated. Other costs incurred related to the

#### 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.

There are no commercial conflicts of interest which could prevent the society from acting for the benefit of the community.

## DVCE Ltd Profit & Loss Account For the Year Ended 31/12/2020

Notes To The Accounts

|                                    | £         | £                               |     |
|------------------------------------|-----------|---------------------------------|-----|
| <b>Sales Group</b>                 |           |                                 |     |
| Grant Income Received              | 26,534.00 |                                 | (5) |
| Sales                              | 13,150.00 |                                 | (6) |
| Other Income                       | 0.34      |                                 |     |
| <b>Sales Group Total</b>           |           | <b>39,684.34</b>                |     |
| <b>Gross Profit Total</b>          |           | <b>39,684.34</b>                |     |
| <b>Expense Group</b>               |           |                                 |     |
| Accelerated Growth Fund repayment  | 56,339.00 |                                 | (7) |
| Access Permissions                 | 10,040.00 |                                 |     |
| Administration (share offer)       | 4,250.00  |                                 |     |
| Advertising and Marketing          | 777.33    |                                 |     |
| Consultancy Fees                   | 6,274.00  |                                 |     |
| Credit Card Fee misc               | 0.50      |                                 |     |
| Credit Card Fees -share Issue      | 2,036.64  |                                 | (9) |
| Design Study (Fish Pass)           | 9,150.00  |                                 |     |
| Design Study Havannah Weir         | 9,148.50  |                                 |     |
| Education                          | 21.69     |                                 |     |
| Insurance                          | 1,571.18  |                                 |     |
| Interest and Finance Charges       | 25,352.55 |                                 | (8) |
| Other Expenses                     | 30.00     |                                 |     |
| Planning studies                   | 3,811.00  |                                 |     |
| Printing                           | 225.00    |                                 |     |
| Subscriptions                      | 175.36    |                                 |     |
| Web and Social Media Costs         | 586.66    |                                 |     |
| <b>Expense Group Total</b>         |           | <b>129,789.41</b>               |     |
| <b>Profit and Loss Group Total</b> |           | <b><u><u>-90,105.07</u></u></b> |     |

Mervyn Sara - Company Secretary



Date 16/06/2021

Garry Knapper - Treasurer



Date 16/06/2021

Paul Guymer - Chairman



Date 16-06-2021

## DVCE Ltd BALANCE SHEET AS AT 31/12/2020

Notes To The Accounts

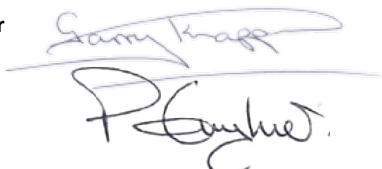
|   | £                 | £                        |     |
|---|-------------------|--------------------------|-----|
| <b>Current Assets Group</b>             |                   |                          |     |
| Euro Bank Account                       | 9,204.57          |                          | (2) |
| Bank                                    | 199,373.84        |                          |     |
| Prepayments                             | 298.08            |                          |     |
| Petty Cash                              | 9.00              |                          |     |
| Grant Claimable                         | 9,661.00          |                          |     |
| VAT Reclaimable                         | 68,064.56         |                          | (1) |
| <b>Current Assets Group Total</b>       |                   | <b>286,611.05</b>        |     |
| <b>Fixed Assets Group</b>               |                   |                          |     |
| Plant and Machinery Assets              |                   |                          |     |
| Asset Under Construction ( Boardwalk)   | 19,025.00         |                          |     |
| Asset Under Construction (Screw)        | 93,011.30         |                          |     |
| Asset Under Construction                | 357,567.61        |                          |     |
| Plant and Machinery Assets Total        |                   | 469,603.91               |     |
| <b>Fixed Asset Group Total</b>          |                   | <b>469,603.91</b>        |     |
| <b>Total Assets</b>                     |                   | <b><u>756,214.96</u></b> |     |
| <b>Liability Group</b>                  |                   |                          |     |
| Current Liabilities Group               |                   |                          |     |
| Suspense                                | 5,369.42          |                          | (3) |
| Bills Unpaid                            | 37,035.66         |                          | (4) |
| <b>Total Current Liabilities</b>        |                   | <b>42,405.08</b>         |     |
| <b>Total Liabilities</b>                |                   | <b>42,405.08</b>         |     |
| <b>Equity Group</b>                     |                   |                          |     |
| Share Capital                           | 762,806.00        |                          |     |
| <b>Total Issued Share Capital</b>       |                   | <b>762,806.00</b>        |     |
| <b>Loss for the Year Ended 31/12/20</b> | <b>-90,105.07</b> |                          |     |
| Reserves b/f @ 01/01/20                 | 41,108.95         |                          |     |
| <b>Reserves c/f @ 31/12/20</b>          |                   | <b>-48,996.12</b>        |     |
| <b>Total Capital &amp; Liabilities</b>  |                   | <b><u>756,214.96</u></b> |     |

Mervyn Sara - Company Secretary



Date 16/06/2021

Garry Knapper - Treasurer



Date 16/06/2021

Paul Guymer - Chairman



Date 16-06-2021



## Notes To The Accounts

**(1) VAT Reclaimable £68,064.56**

This was the amount reclaimable from HMRC at the conclusion of the Year. The VAT Quarter ended on 30th November 2020 and the VAT reclaim for that Quarter (£47,682.85) was received in to our Bank account on 8th January 2021.

**(2) Euro Bank Account £9,204.57**

This is the remaining sterling value of Euro's bought forward to enable the purchase of the Archimedes Screw. Buying forward enabled us to establish an exchange gain against our budgeted cost of acquisition.

**(3) Suspense Account £5,369.42**

DVCE received a payment of £21,149.42 from the Environment Agency for design work on a Fish Pass, against an invoiced amount (**inc VAT**) of £15,780. This overpayment is under query with the EA and is held in suspense pending resolution.

**(4) Bills Unpaid £37,035.66**

At 31st December the following invoices for work and services performed, had not yet reached their settlement date:

|                   |                   |
|-------------------|-------------------|
| CDS 19010-006     | £540.00           |
| CTC 2067          | £2,400.00         |
| CTC 2066          | £32,241.56        |
| Google 3842197792 | £4.60             |
| DHD 20457-0629    | £1,849.50         |
| <b>Total</b>      | <b>£37,035.66</b> |

**(5) Grant Income Received £26,534.00**

|            |  |                     |                   |
|------------|--|---------------------|-------------------|
| 25/09/2020 | External Funding Lancashire County Council | RCEF Claim 1(20-03) | £10,311.00        |
| 01/11/2020 | External Funding Lancashire County Council | RCEF Claim 2        | £6,223.00         |
| 21/12/2020 | Cheshire East Borough Council              | Bright Ideas Grant  | £10,000.00        |
|            | <b>Total</b>                               |                     | <b>£26,534.00</b> |

**(6) Sales £13,150**

This is the invoiced amount (**exc VAT**) of work charged to the Environment Agency for work on the Fish Pass Design.

**(7) Accelerated Growth Fund Repayment £56,339.00**

This amount relates to the original WRAP loan which financed early design, planning, land purchase, topographical and geomorphical studies. The repayment of this loan was conditional on the scheme being in a position of having sufficient funds to enable repayment to be made, or that it should be written off if, despite best endeavours, the Scheme was not undertaken. This was shown as a Contingent Liability in the notes to the 2019 accounts, as at that time there was no decision made, or finance available (prior to take up of the share offer) to state whether the Scheme would be undertaken.

**(8) Interest & Finance Charges £25,352.55**

In line with note 7, this was the premium (45%) repayable along with the Loan Capital, should sufficient funds be raised for the Scheme to commence.

**(9) Credit Card Fees - Share Issue £2,036.64**

This is the fee charged via STRIPE to allow share certificate payments to be made via credit card.