



Mutual Societies Annual Return Form (AR30)

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

Society name:

Meadow Blue Community Energy Limited

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



Mutual Societies Annual Return Form (AR30)

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 | 7099 |
| Registered office address | 2 Station Street Lewes East Sussex |
| Postcode | BN7 2DA |

1.2 Year end date (dd/mm/yyyy)

See Note 1.2

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 3 | 0 | / | 0 | 6 | / | 2 | 0 | 1 | 7 |
|---|---|---|---|---|---|---|---|---|---|

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 | Christopher Charles Rowland |
| Address | 36 East Way Lewes, East Sussex |
| Postcode | BN7 1NG |
| Year of birth | 22.09.1963 |
| Business occupation and other directorships | Designer & Energy Coop Director Director of: Merston Renewable Energy CIC, Ouse Valley Energy Services Company CIC, Community Energy South Ltd, Eastry Energy, Community Energy England |

1.4 Details of Treasurer

| | |
|---|--|
| Name | Nicholas Rouse |
| Address | 2 Holly Cottages, St Helena Lane Plumpton Green, East Sussex |
| Postcode | BN7 3DQ |
| Year of birth | 1946 |
| Business occupation and other directorships | Electronic engineer & Director of Ouse Valley Energy Service Co CIC, OVESCO Limited, Mongoose Community Energy Members Ltd., Eastry Energy |

1.5 Details of Secretary

| | |
|---|--|
| Name | Julie Salmon |
| Address | The Old Dairy Station Road Plumpton Green East Sussex |
| Postcode | BN7 3BY |
| Year of birth | 1967 |
| Business occupation and other directorships | Chartered Tax Adviser Director of Orchard Community Energy Ltd, Eastry Energy |

1.6 Details of Members of the Committee

| Name | Address | Year of birth | Business occupation and other directorships |
|-----------------------------|--|---------------|--|
| Christopher Charles Rowland | 36 East Way Lewes East Sussex BN7 1NG | 1963 | Designer & Energy Coop Director Director of: Merston Renewable Energy CIC Ouse Valley Energy Services Company CIC Community Energy South Ltd Community Energy England Easty Energy |
| Nicholas Rouse | 2 Holly Cottages St Helena Lane Plumpton Green BN7 3DQ | 1946 | Electronic engineer & Director of Ouse Valley Energy Service Co CIC, OVESCO Limited Mongoose Community Energy Members Ltd. Eastry Energy |
| Julie Salmon | 1 Lower Buckhurst Cottages Biddenden Road Frittenden Kent TN17 2BG | 1967 | Chartered Tax Adviser Director of Orchard Community Energy Ltd Easty Energy |
| David Barton | 5 Margaret Close Aldwick West Suzzex PO21 3AA | 1956 | Environmental Consultant Solesco Co-operative Ltd Merston Renewable Energy CIC |
| | | | |
| | | | |

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

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?

n/a

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?

n/a

1.17 How did members democratically control the society?

n/a

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.

n/a

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.

Continue to 2.1

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

The community local to the solar array in West Sussex and wider afield throughout Sussex will benefit financially in future years - there was no income received in the year to 30 June 2016. However the directors planned to organise an educational visit to the solar array at Merston site early in the next financial year for local groups as well as members of MBCE.

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

Meadow Blue Community Energy Ltd was set up in 2015 to build a community owned solar array to reduce our impact on climate change and increase our energy security, and generate funds to benefit the local Sussex community. During the year the solar farm was constructed, with the generation of electricity commencing in June 2016 just before the year end, and with the first income due to be received by 1st March 2017

1.21 How did the society use any surplus/profit?

There was no surplus in the year.

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.

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 | 189 |
| B | Members ceased during year | 0 |
| C | Members admitted during year | 6 |
| D | Members at end of year | 195 |
| E | Turnover for year | 648090 |
| F | Total of income and expenditure (receipts and payments added together) | 1,320,286 |
| G | Net surplus/(deficit) for year | (23,592) |
| H | Fixed assets | 6,102,288 |
| I | Current assets | 586,968 |
| J | Total assets (equal to amount in row O, below) | 6,689,256 |
| K | Current liabilities | 187,439 |
| L | Share capital | 1,343,086 |
| M | Long-term liabilities | 5,182,942 |
| N | Reserves | (24,211) |
| O | Total liabilities, share capital & reserves (K+L+M+N) (equal to amount in J above) | 6,689,256 |
| All societies (excluding clubs) must complete boxes P-T | | |
| P | Investments in other registered societies | 0 |
| Q | Loans from members | 388,000 |
| 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

| |
|------------------------------|
| Merston Renewable Energy CIC |
| |
| |
| |
| |
| |
| |
| |
| |

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

| |
|--|
| |
| |
| |
| |
| |
| |
| |
| |
| |

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)

0 4 / 1 2 / 2 0 1 7

- 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 | Julie Salmon |
| Signature |  |
| Phone number | 07981 294652 |
| Email | jcsalmon@btopenworld.com |
| Date | 31 January 2018 |

Registration number: R7099

Meadow Blue Community Energy Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 30 June 2017

Alanbrookes Limited
Chartered Accountants
PO Box 258
Stroud
Gloucestershire
GL6 8WZ

Meadow Blue Community Energy Limited

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Meadow Blue Community Energy Limited

Society Information

| | |
|--------------------------|--|
| Directors | Christopher Rowland Julie Salmon David Barton Nicholas Rouse |
| Society secretary | Mongoose Energy Limited |
| Registered office | 2 Station Street Lewes Sussex BN2 2DA |
| Auditors | Alanbrookes Limited Chartered Accountants PO Box 258 Stroud Gloucestershire GL6 8WZ |

Meadow Blue Community Energy Limited
Directors' Report for the Year Ended 30 June 2017

The directors present their report and the for the year ended 30 June 2017.

Directors of the group

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

Christopher Rowland

Julie Salmon

David Barton

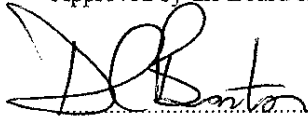
Steve Webb (resigned 16 March 2017)

Nicholas Rouse

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the society's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 4 December 2017 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'David Barton', is written over a dotted horizontal line.

David Barton
Director

Meadow Blue Community Energy Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and 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.

Meadow Blue Community Energy Limited

Independent Auditor's Report to the Members of Meadow Blue Community Energy Limited

Opinion

We have audited the financial statements of Meadow Blue Community Energy Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2017, which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the society's members, as a body, in accordance with the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent society's affairs as at 30 June 2017 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Meadow Blue Community Energy Limited

Independent Auditor's Report to the Members of Meadow Blue Community Energy Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Co-operative and Community Benefit Societies Act 2014

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 3], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Meadow Blue Community Energy Limited

Independent Auditor's Report to the Members of Meadow Blue Community Energy Limited

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

.....
Mr A S Fisher (Senior Statutory Auditor)
For and on behalf of Alanbrookes Limited, Statutory Auditor

PO Box 258
Stroud
Gloucestershire
GL6 8WZ

4 December 2017

Meadow Blue Community Energy Limited

Consolidated Profit and Loss Account for the Year Ended 30 June 2017

| | Note | Total 30 June 2017 £ | Total 30 June 2016 £ |
|--|------|-------------------------------|-------------------------------|
| Turnover | 3 | 648,090 | 19,313 |
| Cost of sales | | <u>(93,977)</u> | <u>(1,341)</u> |
| Gross profit | | 554,113 | 17,972 |
| Administrative expenses | | <u>(315,176)</u> | <u>(19,283)</u> |
| Operating profit/(loss) | 4 | <u>238,937</u> | <u>(1,311)</u> |
| Other interest receivable and similar income | 5 | 257 | 692 |
| Interest payable and similar expenses | 6 | <u>(262,786)</u> | <u>-</u> |
| | | <u>(262,529)</u> | <u>692</u> |
| Loss before tax | | <u>(23,592)</u> | <u>(619)</u> |
| Loss for the financial year | | <u>(23,592)</u> | <u>(619)</u> |
| Profit/(loss) attributable to: | | | |
| Owners of the company | | <u>(23,592)</u> | <u>(619)</u> |

The above results were derived from continuing operations.

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

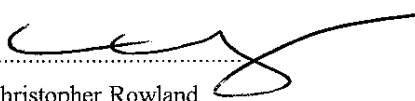
Meadow Blue Community Energy Limited

(Registration number: R7099)

Consolidated Balance Sheet as at 30 June 2017

| | Note | 2017 £ | 2016 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 8 | 6,102,288 | 6,187,688 |
| Current assets | | | |
| Debtors | 10 | 288,973 | 810,363 |
| Cash at bank and in hand | | 297,995 | 192,676 |
| | | <u>586,968</u> | <u>1,003,039</u> |
| Creditors: Amounts falling due within one year | 12 | <u>(187,439)</u> | <u>(2,734,210)</u> |
| Net current assets/(liabilities) | | <u>399,529</u> | <u>(1,731,171)</u> |
| Total assets less current liabilities | | 6,501,817 | 4,456,517 |
| Creditors: Amounts falling due after more than one year | 12 | <u>(5,182,942)</u> | <u>(3,209,550)</u> |
| Net assets | | <u>1,318,875</u> | <u>1,246,967</u> |
| Capital and reserves | | | |
| Called up share capital | | 1,343,086 | 1,247,586 |
| Profit and loss account | | <u>(24,211)</u> | <u>(619)</u> |
| Equity attributable to owners of the company | | <u>1,318,875</u> | <u>1,246,967</u> |
| Total equity | | <u>1,318,875</u> | <u>1,246,967</u> |

Approved and authorised by the Board on 4 December 2017 and signed on its behalf by:



 Christopher Rowland
 Director

The notes on pages 12 to 18 form an integral part of these financial statements.

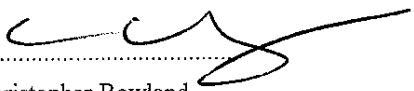
Meadow Blue Community Energy Limited

(Registration number: R7099)
Balance Sheet as at 30 June 2017

| | Note | 2017 £ | 2016 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Investments | 9 | 1,732,088 | 1,247,588 |
| Current assets | | | |
| Debtors | 10 | 5,189 | 15,144 |
| Cash at bank and in hand | | 64,115 | 692 |
| | | <u>69,304</u> | <u>15,836</u> |
| Creditors: Amounts falling due within one year | 12 | <u>(115,589)</u> | <u>(29,179)</u> |
| Net current liabilities | | <u>(46,285)</u> | <u>(13,343)</u> |
| Total assets less current liabilities | | 1,685,803 | 1,234,245 |
| Creditors: Amounts falling due after more than one year | 12 | <u>(388,000)</u> | <u>-</u> |
| Net assets | | <u>1,297,803</u> | <u>1,234,245</u> |
| Capital and reserves | | | |
| Called up share capital | | 1,343,086 | 1,247,586 |
| Profit and loss account | | <u>(45,283)</u> | <u>(13,341)</u> |
| Total equity | | <u>1,297,803</u> | <u>1,234,245</u> |

The company made a loss after tax for the financial year of £31,942 (2016 - loss of £13,341).

Approved and authorised by the Board on 4 December 2017 and signed on its behalf by:


.....
Christopher Rowland
Director

Meadow Blue Community Energy Limited

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2017
Equity attributable to the parent company

| | Share capital £ | Profit and loss account £ | Total £ | Total equity £ |
|------------------------------|---------------------------|---|-------------------|--------------------------|
| At 1 July 2016 | 1,247,586 | (619) | 1,246,967 | 1,246,967 |
| Loss for the year | - | (23,592) | (23,592) | (23,592) |
| Total comprehensive income | - | (23,592) | (23,592) | (23,592) |
| New share capital subscribed | 95,500 | - | 95,500 | 95,500 |
| At 30 June 2017 | 1,343,086 | (24,211) | 1,318,875 | 1,318,875 |

| | Share capital £ | Profit and loss account £ | Total £ | Total equity £ |
|------------------------------|---------------------------|---|-------------------|--------------------------|
| Loss for the year | - | (619) | (619) | (619) |
| Total comprehensive income | - | (619) | (619) | (619) |
| New share capital subscribed | 1,247,586 | - | 1,247,586 | 1,247,586 |
| At 30 June 2016 | 1,247,586 | (619) | 1,246,967 | 1,246,967 |

The notes on pages 12 to 18 form an integral part of these financial statements.

Meadow Blue Community Energy Limited

Statement of Changes in Equity for the Year Ended 30 June 2017

| | Share capital £ | Profit and loss account £ | Total £ |
|------------------------------|----------------------------|--|--------------------|
| At 1 July 2016 | 1,247,586 | (13,341) | 1,234,245 |
| Loss for the year | - | (31,942) | (31,942) |
| Total comprehensive income | - | (31,942) | (31,942) |
| New share capital subscribed | 95,500 | - | 95,500 |
| At 30 June 2017 | 1,343,086 | (45,283) | 1,297,803 |

| | Share capital £ | Profit and loss account £ | Total £ |
|------------------------------|----------------------------|--|--------------------|
| Loss for the year | - | (13,341) | (13,341) |
| Total comprehensive income | - | (13,341) | (13,341) |
| New share capital subscribed | 1,247,586 | - | 1,247,586 |
| At 30 June 2016 | 1,247,586 | (13,341) | 1,234,245 |

The notes on pages 12 to 18 form an integral part of these financial statements.

Meadow Blue Community Energy Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

1 General information

The company is a private company limited by share capital incorporated in England and Wales. It is registered as a Community Benefit Society under the Co-operative and Community Benefit Societies Act 2014.

The address of its registered office is:

2 Station Street

Lewes

Sussex

BNZ 2DA

These financial statements were authorised for issue by the Board on 4 December 2017.

2 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 have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Co-operative and Community Benefit Societies Act 2014.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the society and its subsidiary undertakings drawn up to 30 June 2017.

Meadow Blue Community Energy Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

A subsidiary is an entity controlled by the society. Control is achieved where the society has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the society and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the society.

The group recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the group's activities.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class
Solar installations

Depreciation method and rate
25 years straight line

Meadow Blue Community Energy Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Meadow Blue Community Energy Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

| | 2017 £ | 2016 £ |
|---------------------------|----------------|---------------|
| Generation of electricity | <u>648,090</u> | <u>19,313</u> |

4 Operating profit

Arrived at after charging/(crediting)

| | 2017 £ | 2016 £ |
|----------------------|----------------|-----------|
| Depreciation expense | <u>254,160</u> | <u>-</u> |

5 Other interest receivable and similar income

| | 2017 £ | 2016 £ |
|----------------------------------|------------|------------|
| Interest income on bank deposits | <u>257</u> | <u>692</u> |

6 Interest payable and similar expenses

| | 2017 £ | 2016 £ |
|---|----------------|-----------|
| Interest on bank overdrafts and borrowings | 250,202 | - |
| Interest expense on other finance liabilities | <u>12,584</u> | <u>-</u> |
| | <u>262,786</u> | <u>-</u> |

7 Auditors' remuneration

| | 2017 £ | 2016 £ |
|-------------------------------------|--------------|--------------|
| Audit of these financial statements | <u>3,000</u> | <u>3,000</u> |

Meadow Blue Community Energy Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

8 Tangible assets

Group

| | Plant and machinery £ | Total £ |
|--------------------------|--------------------------------------|--------------------|
| Cost or valuation | | |
| At 1 July 2016 | 6,187,688 | 6,187,688 |
| Additions | <u>168,760</u> | <u>168,760</u> |
| At 30 June 2017 | <u>6,356,448</u> | <u>6,356,448</u> |
| Depreciation | | |
| Charge for the period | <u>254,160</u> | <u>254,160</u> |
| At 30 June 2017 | <u>254,160</u> | <u>254,160</u> |
| Carrying amount | | |
| At 30 June 2017 | <u>6,102,288</u> | <u>6,102,288</u> |
| At 30 June 2016 | <u>6,187,688</u> | <u>6,187,688</u> |

9 Investments

Company

| | 2017 £ | 2016 £ |
|-----------------------------|-------------------|-------------------|
| Investments in subsidiaries | <u>1,732,088</u> | <u>1,247,588</u> |

Subsidiaries

| | £ |
|--------------------------|------------------|
| Cost or valuation | |
| At 1 July 2016 | 1,247,588 |
| Additions | <u>484,500</u> |
| At 30 June 2017 | <u>1,732,088</u> |
| Provision | |
| Carrying amount | |
| At 30 June 2017 | <u>1,732,088</u> |
| At 30 June 2016 | <u>1,247,588</u> |

Meadow Blue Community Energy Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

10 Debtors

| | Group | | Company | |
|--|----------------|----------------|--------------|---------------|
| | 2017 £ | 2016 £ | 2017 £ | 2016 £ |
| Other debtors | 4,601 | 789,124 | 3,307 | 13,218 |
| Prepayments | 4,425 | 1,926 | 1,882 | 1,926 |
| Accrued income | 279,947 | 19,313 | - | - |
| Total current trade and other debtors | 288,973 | 810,363 | 5,189 | 15,144 |

11 Cash and cash equivalents

| | Group | | Company | |
|--------------|-----------|-----------|-----------|-----------|
| | 2017 £ | 2016 £ | 2017 £ | 2016 £ |
| Cash at bank | 297,995 | 192,676 | 64,115 | 692 |

12 Creditors

| | Note | Group | | Company | |
|--------------------------------|------|------------------|------------------|----------------|---------------|
| | | 2017 £ | 2016 £ | 2017 £ | 2016 £ |
| Due within one year | | | | | |
| Loans and borrowings | 13 | - | 775,787 | - | - |
| Trade creditors | | 56,467 | 1,421 | 23,439 | 707 |
| Amounts due to related parties | | - | - | 69,401 | 13,101 |
| Other payables | | 2,813 | 2,813 | 2,813 | 2,813 |
| Accrued expenses | | 128,159 | 1,954,189 | 19,936 | 12,558 |
| | | <u>187,439</u> | <u>2,734,210</u> | <u>115,589</u> | <u>29,179</u> |
| Due after one year | | | | | |
| Loans and borrowings | 13 | <u>5,182,942</u> | <u>3,209,550</u> | <u>388,000</u> | <u>-</u> |

13 Loans and borrowings

| | Group | | Company | |
|---|------------------|------------------|----------------|-----------|
| | 2017 £ | 2016 £ | 2017 £ | 2016 £ |
| Non-current loans and borrowings | | | | |
| Bank borrowings | 3,294,942 | 3,209,550 | - | - |
| Other borrowings | 1,888,000 | - | 388,000 | - |
| | <u>5,182,942</u> | <u>3,209,550</u> | <u>388,000</u> | <u>-</u> |

Meadow Blue Community Energy Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

| | Group | | Company | |
|-------------------------------------|-----------|----------------|-----------|-----------|
| | 2017 £ | 2016 £ | 2017 £ | 2016 £ |
| Current loans and borrowings | | | | |
| Other borrowings | <u>-</u> | <u>775,787</u> | <u>-</u> | <u>-</u> |

14 Transition to FRS 102

The group adopted FRS102 1A for the period commencing 1st July 2016. No prior year adjustments to the consolidated or parent company accounts were required as a result of this adoption.