

AWESOME ENERGY (DALRIADA) LIMITED

UNAUDITED
FINANCIAL STATEMENTS

30 NOVEMBER 2022

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

AWESOME ENERGY (DALRIADA) LIMITED

SOCIETY INFORMATION

Directors	S Clark A B Swann S Marshall P Thomas M Odumosu C Thomson C Auty (DIG Director) D Hardstaff (DIG Director) (resigned 30 January 2022) C Fowler (DIG Director) (appointed 15 March 2022, resigned 1 September 2022)
Registered number	RS007240
Registered office	The Old School Dalavich Taynuilt Argyll PA35 1HN
Accountants	Armstrong Watson LLP Chartered Accountants 1st Floor 24 Blythswood Square G2 4BG
Bankers	Triodos Bank Nv Deanery Road Bristol BS1 5AS

AWESOME ENERGY (DALRIADA) LIMITED

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AWESOME ENERGY (DALRIADA) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2022**

The directors present their report and the financial statements for the year ended 30 November 2022.

Directors

The directors who served during the year were:

S Clark
A B Swann
S Marshall
P Thomas
M Odumosu
C Thomson
C Auty (DIG Director)
D Hardstaff (DIG Director) (resigned 30 January 2022)
C Fowler (DIG Director) (appointed 15 March 2022, resigned 1 September 2022)

Results and members interest

The directors are satisfied with the Society's performance during the year and are optimistic about its future prospects.

	2022	2021
	£	£
Reserves brought forward	11,899	82,785
Profit/(loss) for the year, after taxation	158,924	28,528
Members' interest at 4% (2021 - 4%) of closing share capital	(20,882)	(20,114)
Community benefit distributions	(10,000)	(65,500)
Transfer to major sinking fund	(13,800)	(13,800)
Reserves available for distribution	126,141	11,899

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



S Clark
Director

Date: 31 May 2023

AWESOME ENERGY (DALRIADA) LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF AWESOME ENERGY (DALRIADA) LIMITED FOR THE YEAR ENDED 30 NOVEMBER 2022

In order to assist you to fulfil your duties under the Co-operative and Community Benefit Societies Act 2014, we have prepared for your approval the financial statements of Awesome Energy (Dalriada) Limited for the year ended 30 November 2022 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes from the society'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 <https://www.icaew.com/regulation>.

This report is made solely to the Board of directors of Awesome Energy (Dalriada) Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Awesome Energy (Dalriada) Limited and state those matters that we have agreed to state to the Board of directors of Awesome Energy (Dalriada) Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Awesome Energy (Dalriada) Limited and its Board of directors, as a body, for our work or for this report.

It is your duty to ensure that Awesome Energy (Dalriada) 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 Awesome Energy (Dalriada) Limited. You consider that Awesome Energy (Dalriada) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Awesome Energy (Dalriada) 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.



Armstrong Watson LLP
Chartered Accountants
Glasgow

Date: 2 June 2023

AWESOME ENERGY (DALRIADA) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2022**

	Note	2022 £	2021 £
Turnover		359,840	231,231
Cost of sales		(3,006)	(3,859)
Gross profit		<u>356,834</u>	<u>227,372</u>
Administrative expenses		(122,534)	(120,279)
Operating profit		<u>234,300</u>	<u>107,093</u>
Interest payable and similar expenses		(65,424)	(72,879)
Profit before tax		<u>168,876</u>	<u>34,214</u>
Tax on profit		(9,952)	(5,686)
Profit for the financial year		<u><u>158,924</u></u>	<u><u>28,528</u></u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 7 to 13 form part of these financial statements.

AWESOME ENERGY (DALRIADA) LIMITED
REGISTERED NUMBER: RS007240

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	1,278,655	1,339,313
		1,278,655	1,339,313
Current assets			
Debtors: amounts falling due after more than one year	6	35,000	35,000
Debtors: amounts falling due within one year	6	140,720	102,516
Cash at bank and in hand		279,473	201,975
		455,193	339,491
Creditors: amounts falling due within one year	7	(119,139)	(93,912)
Net current assets		336,054	245,579
Total assets less current liabilities		1,614,709	1,584,892
Creditors: amounts falling due after more than one year	8	(868,449)	(993,844)
Provisions for liabilities			
Deferred tax	10	(46,712)	(36,760)
		(46,712)	(36,760)
Net assets		699,548	554,288

AWESOME ENERGY (DALRIADA) LIMITED
REGISTERED NUMBER: RS007240

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 NOVEMBER 2022

	Note	2022 £	2021 £
Capital and reserves			
Called up share capital	11	522,057	504,839
Other reserves	12	51,350	37,550
Profit and loss account	12	126,141	11,899
		<u>699,548</u>	<u>554,288</u>

The directors consider that the society is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the society to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



S Clark
Director

Date: 31 May 2023



A B Swann
Director

Date: 31 May 2023

The notes on pages 7 to 13 form part of these financial statements.

AWESOME ENERGY (DALRIADA) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2022**

	Called up share capital £	Major sinking fund reserve £	Profit and loss account £	Total equity £
At 1 December 2020	425,549	23,750	82,785	532,084
Comprehensive income for the year				
Profit for the year	-	-	28,528	28,528
Total comprehensive income for the year	-	-	28,528	28,528
Contributions by and distributions to owners				
Profit distributions	-	-	(85,614)	(85,614)
Shares issued during the year	79,290	-	-	79,290
Transfer to/from profit and loss account	-	13,800	(13,800)	-
Total transactions with owners	79,290	13,800	(99,414)	(6,324)
At 1 December 2021	504,839	37,550	11,899	554,288
Comprehensive income for the year				
Profit for the year	-	-	158,924	158,924
Total comprehensive income for the year	-	-	158,924	158,924
Contributions by and distributions to owners				
Profit distributions	-	-	(30,882)	(30,882)
Shares issued during the year	17,217	-	-	17,217
Transfer to/from profit and loss account	-	13,800	(13,800)	-
Total transactions with owners	17,217	13,800	(44,682)	(13,665)
At 30 November 2022	522,056	51,350	126,141	699,547

The notes on pages 7 to 13 form part of these financial statements.

AWESOME ENERGY (DALRIADA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

1. General information

Awesome Energy (Dalriada) Limited is a Community Benefit Society, registered in Scotland. The Society's registered number is RS007240 and the registered office address is Dalavich Post Office, Dalavich, Argyll, PA35 1HN.

These financial statements are prepared in pound sterling as this is the currency of the primary economic environment in which the company operates.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Co-operative and Community Benefit Societies Act 2014.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the impact of the COVID-19 virus when preparing the financial statements. The likely impact that this will have in the coming year has been assessed and this has been incorporated into the plans for the business. As a result of this the directors has concluded that it continues to be appropriate to present the accounts on a going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Society will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the society as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Rentals paid under operating leases are subject to a percentage of the gross revenue earned therefore if no revenue is earned no liability will arise.

AWESOME ENERGY (DALRIADA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

During the period of asset construction, all borrowing costs were capitalised. When the assets became operational in February 2018, all borrowing costs from that date were recognised in the statement of income and retained earnings.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the society operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

AWESOME ENERGY (DALRIADA) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Turbine	- 20 years
Civils	- 40 years
Active Network Management	- 10 years
Other Plant & Machinery	- 20 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Revenue Account.

2.10 Debtors

Debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Society a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Society becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.14 Financial instruments

The Society only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

AWESOME ENERGY (DALRIADA) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

3. Major sinking fund reserve

Major sinking fund reserve includes amounts transferred from the profit and loss account to enable the society to retain sufficient reserves in order to meet its expected future obligations to maintain and repair major assets.

At each reporting date the society assess the fund for reasonableness.

4. Employees

The average monthly number of employees, including directors, during the year was 8 (2021 - 11).

5. Tangible fixed assets

	Turbine £	Civils £	Active Network Management £	Other Plant & Machinery £	Total £
Cost or valuation					
At 1 December 2021	269,518	1,094,514	191,052	14,286	1,569,370
At 30 November 2022	<u>269,518</u>	<u>1,094,514</u>	<u>191,052</u>	<u>14,286</u>	<u>1,569,370</u>
Depreciation					
At 1 December 2021	51,658	104,936	73,236	227	230,057
Charge for the year on owned assets	13,476	27,363	19,105	714	60,658
At 30 November 2022	<u>65,134</u>	<u>132,299</u>	<u>92,341</u>	<u>941</u>	<u>290,715</u>
Net book value					
At 30 November 2022	<u><u>204,384</u></u>	<u><u>962,215</u></u>	<u><u>98,711</u></u>	<u><u>13,345</u></u>	<u><u>1,278,655</u></u>
At 30 November 2021	<u><u>217,860</u></u>	<u><u>989,578</u></u>	<u><u>117,815</u></u>	<u><u>14,060</u></u>	<u><u>1,339,313</u></u>

As at 30 November 2022, loan interest of £137,186 was included in the cost price of the above assets.

AWESOME ENERGY (DALRIADA) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

6. Debtors

	2022 £	2021 £
Due after more than one year		
Other debtors	35,000	35,000
	<u>35,000</u>	<u>35,000</u>
	2022 £	2021 £
Due within one year		
Other debtors	-	1,737
Prepayments and accrued income	140,720	100,779
	<u>140,720</u>	<u>102,516</u>

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	71,255	62,691
Trade creditors	3,388	2,702
Other taxation and social security	6,580	-
Accruals and deferred income	37,916	28,519
	<u>119,139</u>	<u>93,912</u>

8. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other loans	820,307	944,192
Other creditors	48,142	49,652
	<u>868,449</u>	<u>993,844</u>

AWESOME ENERGY (DALRIADA) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

9. Loans

Analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year		
Other loans	71,255	62,691
	<u>71,255</u>	<u>62,691</u>
Amounts falling due 2-5 years		
Other loans	820,307	944,192
	<u>820,307</u>	<u>944,192</u>
	<u>891,562</u>	<u>1,006,883</u>

As at 30 November 2022, Social Growth Fund LLP held a bond and floating charge over all current and future assets of the society.

10. Deferred taxation

	2022
	£
At beginning of year	(36,760)
Charged to profit or loss	(9,952)
At end of year	<u>(46,712)</u>

The provision for deferred taxation is made up as follows:

	2022	2021
	£	£
Accelerated capital allowances	(88,383)	(92,632)
Tax losses carried forward	41,671	55,872
	<u>(46,712)</u>	<u>(36,760)</u>

AWESOME ENERGY (DALRIADA) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022**

11. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
522,057 (2021 - 504,839) Ordinary A shares of £1.00 each	<u>522,057</u>	<u>504,839</u>

During the year 17,218 Ordinary A shares were issued with a nominal value of £1 each for a consideration of £17,218.

12. Reserves

Profit and loss account

During the year £13,800 (2021: £13,800) was reallocated to other reserves.