

AWESOME ENERGY (DALRIADA) LIMITED

UNAUDITED
FINANCIAL STATEMENTS

30 NOVEMBER 2019

AWESOME ENERGY (DALRIADA) LIMITED

SOCIETY INFORMATION

Directors	C Sugden E Foy M Odomuso C Thomas S Clark (Executive officer) A B Swann (Executive officer) P Thomas A Shaw S Marshall (Executive officer)
DIG Directors	I Mclounnan C Auty A Fleming
Registered number	RS007240
Registered office	Dalavich Post Office Dalavich Argyll PA35 1HN
Accountants	Armstrong Watson LLP Chartered Accountants 1st Floor 24 Blythswood Square Glasgow G2 4BG
Bankers	Tridios Bank Nv Deanery Road Bristol BS1 5AS

AWESOME ENERGY (DALRIADA) LIMITED

CONTENTS

	Page
Directors' Report	1
Accountants' Report	2
Statement of Income and Retained Earnings	3
Statement of Financial Position	4 - 5
Statement of Changes in Equity	6
Notes to the Financial Statements	7 - 12
<p>The following pages do not form part of the statutory financial statements:</p>	
Detailed Profit and Loss Account and Summaries	14 - 15

AWESOME ENERGY (DALRIADA) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2019

The directors present their report and the financial statements for the year ended 30 November 2019.

Directors

Three directors are required to resign from the board annually. The directors who are eligible will resign and offer themselves for re-election at the forthcoming AGM.

The elected directors as at 30 November 2019 are as follows:

C Sugden
E Foy
M Odomuso
C Thomas
S Clark
A B Swann
P Thomas
A Shaw
S Marshall

This report has been prepared in accordance with sections 79 and 80 of the Co-operative and Community Benefit Societies Act 2014.

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
Chair

Date:

.....
A B Swann
Treasurer

Date:

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 2019

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 2019 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 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 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:

AWESOME ENERGY (DALRIADA) LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 NOVEMBER 2019**

	Note	2019 £	2018 £
Turnover		293,339	201,359
Cost of sales		(11,699)	(26,359)
Gross profit		281,640	175,000
Administrative expenses		(210,309)	(182,073)
Operating profit/(loss)		71,331	(7,073)
Profit/(loss) after tax		71,331	(7,073)
Retained earnings at the beginning of the year		(41,155)	(22,197)
		(41,155)	(22,197)
Profit/(loss) for the year		71,331	(7,073)
Members interest		(13,970)	(11,885)
Retained earnings at the end of the year		16,206	(41,155)

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of income and retained earnings.

The notes on pages 7 to 12 form part of these financial statements.

AWESOME ENERGY (DALRIADA) LIMITED
REGISTERED NUMBER: RS007240

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	1,445,142	1,505,086
		<u>1,445,142</u>	<u>1,505,086</u>
Current assets			
Debtors: amounts falling due after more than one year	6	35,000	35,000
Debtors: amounts falling due within one year	6	100,097	108,540
Cash at bank and in hand		199,202	194,646
		<u>334,299</u>	<u>338,186</u>
Creditors: amounts falling due within one year	7	(79,696)	(356,528)
Net current assets/(liabilities)		<u>254,603</u>	<u>(18,342)</u>
Total assets less current liabilities		<u>1,699,745</u>	<u>1,486,744</u>
Creditors: amounts falling due after more than one year	8	(1,334,295)	(1,226,244)
Provisions for liabilities			
Other provisions	10	-	(4,550)
		<u>-</u>	<u>(4,550)</u>
Net assets		<u><u>365,450</u></u>	<u><u>255,950</u></u>

AWESOME ENERGY (DALRIADA) LIMITED
REGISTERED NUMBER: RS007240

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 NOVEMBER 2019

	Note	2019 £	2018 £
Capital and reserves			
Called up share capital	11	349,244	297,105
Other reserves		9,950	-
Profit and loss account		6,256	(41,155)
		<u>365,450</u>	<u>255,950</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company 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 on

.....
S Clark
Director

.....
A B Swann
Director

The notes on pages 7 to 12 form part of these financial statements.

AWESOME ENERGY (DALRIADA) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2019**

	Called up share capital £	Major sinking fund reserve £	As restated Profit and loss account £	Total equity £
At 1 December 2017	199,385	-	(22,197)	177,188
Loss for the year	-	-	(7,073)	(7,073)
Members interest	-	-	(11,885)	(11,885)
Shares issued during the year	97,720	-	-	97,720
At 1 December 2018	297,105	-	(41,155)	255,950
Profit for the year	-	-	71,331	71,331
Members interest	-	-	(13,970)	(13,970)
Shares issued during the year	52,139	-	-	52,139
Transfer to/from profit and loss account	-	9,950	(9,950)	-
At 30 November 2019	349,244	9,950	6,256	365,450

The notes on pages 7 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019**

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 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019**

2. Accounting policies (continued)

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 Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings 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.

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 the Statement of Income and Retained Earnings 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 Income and Retained Earnings in the same period as the related expenditure.

2.6 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.

2.7 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019**

2. Accounting policies (continued)

2.7 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

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.

2.8 Debtors

Short term 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.

2.9 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.

2.10 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.

2.11 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 the Revenue Accounts in the year that the Society becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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.

2.12 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 non-puttable ordinary shares.

AWESOME ENERGY (DALRIADA) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019**

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 12 (2018 - 12).

5. Tangible fixed assets

	Turbine £	Civils £	Active Network Management £	Total £
Cost or valuation				
At 1 December 2018	269,518	1,094,514	191,052	1,555,084
At 30 November 2019	<u>269,518</u>	<u>1,094,514</u>	<u>191,052</u>	<u>1,555,084</u>
Depreciation				
At 1 December 2018	11,230	22,847	15,921	49,998
Charge for the year on owned assets	13,476	27,363	19,105	59,944
At 30 November 2019	<u>24,706</u>	<u>50,210</u>	<u>35,026</u>	<u>109,942</u>
Net book value				
At 30 November 2019	<u><u>244,812</u></u>	<u><u>1,044,304</u></u>	<u><u>156,026</u></u>	<u><u>1,445,142</u></u>
At 30 November 2018	<u><u>258,288</u></u>	<u><u>1,071,667</u></u>	<u><u>175,131</u></u>	<u><u>1,505,086</u></u>

As at 30 November 2019, 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 2019**

6. Debtors

	2019	2018
	£	£
Due after more than one year		
Other debtors	35,000	35,000
	<u>35,000</u>	<u>35,000</u>
	<u><u>35,000</u></u>	<u><u>35,000</u></u>
 Due within one year		
Prepayments and accrued income	100,097	108,540
	<u>100,097</u>	<u>108,540</u>
	<u><u>100,097</u></u>	<u><u>108,540</u></u>

7. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Other loans	36,909	280,372
Trade creditors	6,763	8,664
Other taxation and social security	6,180	3,573
Other creditors	55	-
Accruals and deferred income	29,789	63,919
	<u>79,696</u>	<u>356,528</u>
	<u><u>79,696</u></u>	<u><u>356,528</u></u>

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

	2019	2018
	£	£
Other loans	1,277,188	1,186,249
Other creditors	52,673	38,023
Accruals and deferred income	4,434	1,972
	<u>1,334,295</u>	<u>1,226,244</u>
	<u><u>1,334,295</u></u>	<u><u>1,226,244</u></u>

AWESOME ENERGY (DALRIADA) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2019**

9. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year		
Other loans	36,909	280,372
	36,909	280,372
Amounts falling due 2-5 years		
Other loans	1,277,188	1,186,249
	1,277,188	1,186,249
	1,314,097	1,466,621

As at 30 November 2019, Social Growth Fund LLP held a bond and floating charge over all current and future assets of the society.

10. Provisions

	Major sinking fund £
At 1 December 2018	4,550
Charged to profit or loss	(4,550)
At 30 November 2019	-

11. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
349,244 (2018 - 297,105) Ordinary A shares of £1.00 each	349,244	297,105
	349,244	297,105

During the year 52,139 Ordinary A shares were issued with a nominal value of £1 each for a consideration of £52,139.

AWESOME ENERGY (DALRIADA) LIMITED

DETAILED ACCOUNTS - UNAUDITED
FOR THE YEAR ENDED 30 NOVEMBER 2019
THIS SCHEDULE IS NOT FOR PUBLICATION

AWESOME ENERGY (DALRIADA) LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2019**

	Note	2019	2018
		£	£
Turnover		293,339	201,358
Cost of sales		(11,699)	(26,359)
Gross profit		281,640	174,999
Less: overheads			
Administration expenses		(210,309)	(182,072)
Operating profit/(loss)		71,331	(7,073)
Profit/(Loss) for the year		71,331	(7,073)

AWESOME ENERGY (DALRIADA) LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 30 NOVEMBER 2019**

	2019 £	2018 £
Turnover		
Sales	291,829	198,637
Grant income	1,510	2,721
	293,339	201,358
	293,339	201,358
	2019 £	2018 £
Cost of sales		
Cost of goods sold	259	354
ANM service agreement	13,722	19,325
Civils and turbine service costs	(2,282)	6,680
	11,699	26,359
	11,699	26,359
	2019 £	2018 £
Administration expenses		
Entertainment	105	565
Consultancy	1,111	3,626
Postage	435	41
Telephone and fax	1,064	1,146
Advertising and promotion	190	1,445
Trade subscriptions	922	989
Legal and professional	2,135	879
Accountancy fees	21,035	6,333
Bank charges	63	73
Difference on foreign exchange	25	144
Sundry expenses	515	605
Insurances	6,771	6,298
Depreciation - plant and machinery	59,944	49,998
Bookkeeping	4,418	1,858
Finance costs	4,070	3,392
Operations	2,284	1,848
Cares interest	5,386	21,438
SIS interest	89,342	66,743
Major sinking repairs	(4,550)	4,550
Metering and utility cost	441	212
Operating lease payments	14,603	9,889
	210,309	182,072
	210,309	182,072