

SETTLE HYDRO LIMITED

**A MUTUAL SOCIETY REGULATED UNDER THE INDUSTRIAL
AND PROVIDENT ACT 1965 AND THE FRIENDLY AND
INDUSTRIAL AND PROVIDENT SOCIETIES ACT 1968**

2 Grove Park Gardens, Settle, BD24 9QS

**ACCOUNTS
AND
ANNUAL REPORT**

FOR THE YEAR ENDED

31 MARCH 2011

**Darbyshire & Co
Nymrod House
85 King Street
Whalley
Lancashire
BB7 9SW**

Settle Hydro Limited

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Settle Hydro Limited

Directors' Report for the Year Ended 31 March 2011

The directors present their report and financial statements for the year ended 31 March 2011

Principal activity

The principal activity of the company is the environmental and ecological production of electricity

Directors

The directors who held office during the year are as follows

Stephen Amphlett
Ann Harding

Report for the year

Our first full year of operation saw us learning much more about the mechanics and practicalities of running Settle Hydro. We were able to improve the reporting and recording systems in conjunction with the needs of the Environment Agency, and were able to look at ways that would increase the KW output of the scheme. Having this management information has enabled us to work with external engineers to investigate improvements including a variable speed system, and more sensitive control points. These important developments should eventually impact on our income to show an increased return.

We continue to be supported by the Charity Bank, KeyFund, and, of course, the shareholders, and we are grateful for the help they have given.

The year to March 2011 showed an increase association with other hydro schemes in planning, and in academic assistance given to Universities, Schools and Colleges. We are pleased that we have been able to contribute to a greater understanding of this growing industry.

We look forward to continuing success.

Small company provisions

This report has been prepared in accordance with the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968

Approved by the Board and signed on its behalf by:

Ann Harding

Stephen Amphlett

Date:

11th November 2011

Settle Hydro Limited

Committee of Management - Year ended 31 March 2011

Directors

Stephen Amphlett

Ann Harding

Settle Hydro Limited

FINANCIAL YEAR ENDED 31 MARCH 2011

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Note	2011	2010
		£	£
Total Income	1	51,119	146734
Total Expenditure		41,062	74693
Net Income over Expenditure		<u>10,057</u>	<u>72,041</u>
Bank Interest Received		<u>4</u>	<u> </u>
Net surplus/-(deficit) for the year		10,061	72,041
Reserves brought forward		<u>72,041</u>	<u> </u>
Reserves carried forward		<u>82,102</u>	<u>72,041</u>

Settle Hydro Ltd

FINANCIAL YEAR ENDED 31 MARCH 2011

BALANCE SHEET

	<u>Note</u>	2011 £	2010 £
Fixed Assets	2	353,696	356,110
Current Assets			
Debtors & prepayments	3	13,678	5,679
Cash at bank and in hand		<u>163</u>	<u>8,121</u>
		13,841	13,800
Creditors: Amounts falling due within one year	4	<u>26,430</u>	<u>33,218</u>
Net current liabilities		<u>(12,589)</u>	<u>(19,418)</u>
Total assets less current liabilities		341,107	336,692
Creditors: Amounts falling due after more than one year	5	(118,250)	(130,796)
Net assets		<u>222,857</u>	<u>205,896</u>
Capital and reserves			
Called up share capital	6	140,755	133,855
Profit and loss reserve		82,102	72,041
Shareholder's funds		<u>222,857</u>	<u>205,896</u>

For the financial year ended 31 March 2011, the company was entitled to exemption from audit under the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968. The committee acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with the Acts and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the period and of its income and expenditure for the financial year.

Approved by the Committee on 11th November 2011 and signed on its behalf by:-

Ann Harding

Stephen Amphlett

Accountants' Report to the Committee of Management on the Unaudited Financial Statements of Settle Hydro Limited

In accordance with the engagement letter dated 1st December 2010, and in order to assist you to fulfil your duties under the Industrial and Provident Act 1965 and the Friendly and Industrial and Provident Societies Act 1968, we have compiled the financial statements of the company, which comprise of the Income and Expenditure Account, the Balance Sheet, and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Committee of Management, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Committee of Management that we have done so, and state those matters that we have agreed to state to them in this 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 Company and the company's Committee of Management, as a body, for the work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 March 2011 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the requirements of the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968. You consider that the company is exempt from the statutory requirement for an audit for the year.

In our opinion the financial criteria for the substitution of this Accountant's Report in place of a full audit have been met, the Income and Expenditure Account and the Balance Sheet are in agreement with the books of account kept by the Company, and they comply with the requirements of the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968.

Darbyshire & Co

Date 11th November 2011

**Nymrod House
85 King Street
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Lancashire
BB7 9SW**

Settle Hydro Limited

FINANCIAL YEAR ENDED 31 MARCH 2011

Notes to the Financial Statements

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Income

Income represents the total amount receivable, net of value added tax, in respect of grants and donations received and of the sale of goods and services to customers

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any residual value, over their expected useful economic life as follows:

Capital works and equipment	5% on cost basis
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Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Settle Hydro Limited

FINANCIAL YEAR ENDED 31 MARCH 2011

Notes to the Financial Statements

2 Tangible fixed assets

	£
Cost	
As at 1st April 2010	374,853
Additions	<u>17,188</u>
	<u>392,041</u>
Depreciation	
As at 1st April 2010	18,743
Charge for the period	<u>19,602</u>
	<u>38,345</u>
Net book value	
As at 31st March 2011	<u>353,696</u>
As at 31st March 2010	<u>356,110</u>

3 Debtors

	£
Trade debtors	13,336
Prepayments	164
Other debtors	<u>179</u>
	<u>13,678</u>

4 Creditors: Amounts falling due within one year

	£
Bank loans and overdrafts	15,808
Trade creditors	9,022
Taxation and social security	0
Other creditors	<u>1,600</u>
	<u>26,430</u>

5 Creditors: Amounts falling due after more than one year

	£
Bank loans and overdrafts	<u>118,250</u>
Included in the creditors are the following amounts due after more than 5 years	
After more than 5 years by instalments	96,474

6 Share capital

	£
Ordinary shares	81,305
Enterprise investment scheme shares	<u>59,450</u>
	<u>140,755</u>

There were 173 shareholders at the end of the year. 128 members hold Ordinary Shares and 45 members hold EIS Ordinary Shares.

Settle Hydro Ltd

FINANCIAL YEAR ENDED 31 MARCH 2011

DETAILED INCOME AND EXPENDITURE ACCOUNT

	2011		comparative 2010	
	£	£	£	£
Income				
Grants and donations received	33,307		146,734	
Sales	17,812		0	
Total Income		51,119		146,734
Expenditure				
Travel & convention expenses	568		820	
Insurance	481		481	
Rent & rates	4,373		1,000	
Repairs & renewals	2,879		0	
Telephone	464		161	
Professional fees	545		46,455	
Printing & stationery	607		0	
Accountancy charges	800		800	
Subscriptions	155		466	
Sundry expenses	400		288	
Bank charges	107		79	
Loan interest	10,081		5,400	
Depreciation	19,602		18,743	
Total Expenditure		41,062		74,693
Net surplus for the year		<u>10,057</u>		<u>72,041</u>