

Registration number: IP030503

Settle Hydro Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2022

DSM CA Limited
Station House Station Road
Whalley
Clitheroe
Lancashire
BB7 9RT

Settle Hydro Limited

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Settle Hydro Limited

Company Information

Management Committee	Stephen Leslie Amphlett Ann Harding James Alexander Tod Giles Richard Bowring
Company secretary	Stephen Leslie Amphlett
Registered office	2 Grove Park Gardens Settle North Yorkshire BD24 9QS
Accountants	DSM CA Limited Station House Station Road Whalley Clitheroe Lancashire BB7 9RT

Settle Hydro Limited

Management committee report for the Year Ended 31 March 2022

The Management Committee present their report and the unaudited financial statements for the year ended 31 March 2022.

Management Committee

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

Stephen Leslie Amphlett - Company secretary and director

Ann Harding

James Alexander Tod

Giles Richard Bowring

Principal activity

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

Business Review

A share purchase and interest-free loan (by a person who wishes to remain anonymous) enabled us to repay the loan from the Charity Bank during January 2022 and make provision for Key Fund to withdraw their £20,000 shareholding. This development has reduced annual outgoings by approximately £14,000.

The repayment of the Charity Bank Loan meant that it was no longer necessary for us to hold funds in a Charity Bank Debt Reserve Account and so the account was closed and the balance of £6,640 transferred to our Current Account.

Cash in our Current Account on 31st March 2022 was £43,390.14 (of which £20,000 is available to be repaid to Key Fund).

Given the company's improved financial position, the Directors hope that they will soon be in a position to propose the awarding of grants to local community projects and interest payments to shareholders.

Generation for 2021/22 was 90,412kWh, bringing the total generated since commissioning in 2010 to 1,047,028kWh. Our Millionth kWh was generated on 4th December 2021! No generation was lost during the year to mechanical breakdown.

Damaged weir boards were replaced during August and September 2021. The cost of the work was shared equally between the owners of the adjacent Bridge End Mill (and owners of the Weir) and Settle Hydro Ltd. Settle Hydro raised a portion of the costs from a crowdfunding appeal. The work on the weir was filmed and broadcast in February 2022 as part of a More4 programme called 'The Pennines - Backbone of Britain'.

In November 2021, Bridge End Mill was sold to Orchard Developments (UK) Limited, a property development company. The new owners have expressed support for Settle Hydro and are happy to continue with the arrangements we had with the previous owners.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Settle Hydro Limited

Management committee report for the Year Ended 31 March 2022

Approved by the Board on 11 October 2022 and signed on its behalf by:

Stephen Leslie Amphlett
Company secretary and director

Ann Harding
Director

James Alexander Tod
Director

Giles Richard Bowring
Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
Settle Hydro Limited
for the Year Ended 31 March 2022**

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 Societies Act 1965 and the Friendly and Industrial Provident Societies Act 1968, we have compiled the financial statement of Settle Hydro Limited which comprise of the Income and Expenditure Accounts, the Balance sheet and the related notes for Settle Hydro Limited for the year ended 31 March 2017 set out in pages 5 to 11 from the 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/regulation>.

This report is made solely to the Board of Directors of Settle Hydro Limited, as a body, in accordance with the terms of our engagement letter dated 1 December 2010. Our work has been undertaken solely to prepare for your approval the accounts of Settle Hydro Limited and state those matters that we have agreed to state to the Board of Directors of Settle Hydro Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Settle Hydro Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Settle Hydro Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Settle Hydro Limited. You consider that Settle Hydro Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Settle Hydro 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 accounts.

DSM CA Limited
Station House Station Road
Whalley
Clitheroe
Lancashire
BB7 9RT
11 October 2022

Settle Hydro Limited

Profit and Loss Account and Statement of Retained Earnings for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Turnover		27,519	27,820
Administrative expenses		25,708	23,678
Other operating income		<u>9,464</u>	<u>1,060</u>
Operating profit		<u>11,275</u>	<u>5,202</u>
Other interest receivable and similar income		11	15
Interest payable and similar charges		<u>(5,796)</u>	<u>(7,465)</u>
		<u>(5,785)</u>	<u>(7,450)</u>
Profit/(loss) before tax	4	<u>5,490</u>	<u>(2,248)</u>
Profit/(loss) for the financial year		5,490	(2,248)
Retained earnings brought forward		<u>36,007</u>	<u>38,255</u>
Retained earnings carried forward		<u><u>41,497</u></u>	<u><u>36,007</u></u>

The notes on pages 9 to 12 form an integral part of these financial statements.

Settle Hydro Limited

(Registration number: IP030503) Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	318,035	311,932
Current assets			
Debtors	6	9,887	9,117
Cash at bank and in hand		<u>43,419</u>	<u>23,129</u>
		53,306	32,246
Creditors: Amounts falling due within one year	7	<u>(6,089)</u>	<u>(8,613)</u>
Net current assets		<u>47,217</u>	<u>23,633</u>
Total assets less current liabilities		365,252	335,565
Creditors: Amounts falling due after more than one year	7	<u>(30,000)</u>	<u>(94,803)</u>
Net assets		<u>335,252</u>	<u>240,762</u>
Capital and reserves			
Called up share capital		293,755	204,755
Profit and loss account		<u>41,497</u>	<u>36,007</u>
Shareholders' funds		<u>335,252</u>	<u>240,762</u>

For the financial year ending 31 March 2022 the society voted to disapply the requirements for audit under sections 83 and 84 of the Co-operative and Community Benefit Societies Act 2014.

Directors' responsibilities:

- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions relating to societies subject to the Co-Operative and Community Benefit Societies Act 2014.

Settle Hydro Limited

(Registration number: IP030503)
Balance Sheet as at 31 March 2022

Approved and authorised by the Board on 11 October 2022 and signed on its behalf by:

.....
Stephen Leslie Amphlett
Company secretary and director

.....
Ann Harding
Director

.....
James Alexander Tod
Director

.....
Giles Richard Bowring
Director

Settle Hydro Limited

Statement of Changes in Equity for the Year Ended 31 March 2022

	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 April 2021	204,755	36,007	240,762
Profit for the year	-	5,490	5,490
Total comprehensive income	-	5,490	5,490
New share capital subscribed	89,250	-	89,250
Other share capital movements	(250)	-	(250)
At 31 March 2022	<u>293,755</u>	<u>41,497</u>	<u>335,252</u>
	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 April 2020	203,255	38,255	241,510
Loss for the year	-	(2,248)	(2,248)
Total comprehensive income	-	(2,248)	(2,248)
New share capital subscribed	1,500	-	1,500
At 31 March 2021	<u>204,755</u>	<u>36,007</u>	<u>240,762</u>

The notes on pages 9 to 12 form an integral part of these financial statements.

Settle Hydro Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

1 General information

Settle Hydro Limited is a Industrial and Provident Society registered in England and Wales.

The address of its registered office is:

2 Grove Park Gardens

Settle

North Yorkshire

BD24 9QS

These financial statements were authorised for issue by the Board on 11 October 2022.

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 Companies Act 2006.

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.

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 company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company 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 company's activities.

Tangible assets

Tangible assets are stated in the balance sheet 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	Depreciation method and rate
Other equipment	5% Straight line
Screw with trough	1% Straight line
Sluice gate with hydraulics	4% Straight line

Settle Hydro Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

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.

Trade 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 company will not be able to collect all amounts due according to the original terms of the receivables.

Trade 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 company 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.

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.

The company is controlled by its 204 members overall. One member currently holds more than 35% of the shares. Irrespective of shares held, each Member only holds one voting right each and no ownership of the assets of the society, in accordance with society rules.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 0 (2021 - 0).

4 Profit/loss before tax

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	<u>9,177</u>	<u>8,795</u>

Settle Hydro Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

5 Tangible assets

	Screw with trough £	Sluice Gate and Hydraulics £	Other Equipment £	Total £
Cost or valuation				
At 1 April 2021	283,129	52,871	76,976	412,976
Additions	-	-	15,281	15,281
At 31 March 2022	<u>283,129</u>	<u>52,871</u>	<u>92,257</u>	<u>428,257</u>
Depreciation				
At 1 April 2021	33,976	27,837	39,231	101,044
Charge for the year	<u>2,832</u>	<u>2,115</u>	<u>4,231</u>	<u>9,178</u>
At 31 March 2022	<u>36,808</u>	<u>29,952</u>	<u>43,462</u>	<u>110,222</u>
Carrying amount				
At 31 March 2022	<u>246,321</u>	<u>22,919</u>	<u>48,795</u>	<u>318,035</u>
At 31 March 2021	<u>249,153</u>	<u>25,034</u>	<u>37,745</u>	<u>311,932</u>

6 Debtors

	2022 £	2021 £
Trade debtors	8,724	7,880
Prepayments, VAT and accrued income	<u>1,163</u>	<u>1,237</u>
Total current trade and other debtors	<u>9,887</u>	<u>9,117</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Bank loans and overdrafts	8	5,164	7,613
Accruals		<u>925</u>	<u>1,000</u>
		<u>6,089</u>	<u>8,613</u>
Due after one year			
Loans and borrowings	8	<u>30,000</u>	<u>94,803</u>

Settle Hydro Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2022

Creditors: amounts falling due after more than one year

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	8	<u>30,000</u>	<u>94,803</u>

8 Loans and borrowings

	2022 £	2021 £
Non-current loans and borrowings		
Bank borrowings	<u>30,000</u>	<u>94,803</u>

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	<u>5,164</u>	<u>7,613</u>

The £30,000 non-current loan above relates to a member shareholder who owns more than 5% of the issued share capital. There is a loan agreement in place covering this borrowing. The loan is interest free and repayable in instalments over a period of 20 years.

Settle Hydro Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2022

	2022 £	2021 £
Turnover (analysed below)	<u>27,519</u>	<u>27,820</u>
Administrative expenses		
Establishment costs (analysed below)	13,925	9,972
General administrative expenses (analysed below)	2,606	4,911
Depreciation costs (analysed below)	<u>9,177</u>	<u>8,795</u>
	25,708	23,678
Other operating income (analysed below)	<u>9,464</u>	<u>1,060</u>
Operating profit	<u>11,275</u>	<u>5,202</u>
Other interest receivable and similar income (analysed below)	11	15
Interest payable and similar charges (analysed below)	<u>(5,796)</u>	<u>(7,465)</u>
	<u>(5,785)</u>	<u>(7,450)</u>
Profit/(loss) before tax	<u><u>5,490</u></u>	<u><u>(2,248)</u></u>

Settle Hydro Limited

Detailed Profit and Loss Account for the Year Ended 31 March 2022

	2022 £	2021 £
Turnover		
Sales	<u>27,519</u>	<u>27,820</u>
Establishment costs		
Rent and rates	4,001	4,000
Room Hire Costs	153	-
Insurance	653	628
Repairs and renewals	<u>9,118</u>	<u>5,344</u>
	<u>13,925</u>	<u>9,972</u>
General administrative expenses		
Telephone and fax	852	807
Printing, postage and stationery	16	-
Environment agency extraction licence	150	150
Website and Marketing	179	179
PR Consultancy	250	2,600
Accountancy fees	925	1,000
Under/over accrual prior year	-	(5)
Bookkeeping fees	<u>234</u>	<u>180</u>
	<u>2,606</u>	<u>4,911</u>
Depreciation costs		
Depreciation of other equipment	4,231	3,849
Depreciation of sluice gate with hydraulics	2,114	2,115
Depreciation of screw with trough	<u>2,832</u>	<u>2,831</u>
	<u>9,177</u>	<u>8,795</u>
Other operating income		
Donations received	<u>9,464</u>	<u>1,060</u>
Other interest receivable and similar income		
Bank interest receivable	<u>(11)</u>	<u>(15)</u>
Interest payable and similar expenses		
Loan interest	<u>5,796</u>	<u>7,465</u>

This page does not form part of the statutory financial statements.