

Registration number: Industrial and Provident Societies Act 1965 and Friendly and Industrial and Provident Societies Act 1968 IP030503

# Settle Hydro Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2016

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

**Settle Hydro Limited**  
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The following pages do not form part of the statutory financial statements:

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**Settle Hydro Limited**  
**Company Information**

**Management Committee**      Ann Harding  
                                         Stephen Leslie Amphlett  
                                         James Alexander Tod

**Registered office**        2 Grove Park Gardens  
                                         Settle  
                                         North Yorkshire  
                                         BD24 9QS

**Accountants**            DSM CA Limited  
                                         Station House  
                                         Station Road  
                                         Whalley  
                                         Lancashire  
                                         BB7 9RT

**Settle Hydro Limited**  
**Management Committee Report for the Year Ended 31 March 2016**

The Management Committee present their report and the unaudited financial statements for the year ended 31 March 2016.

**Management Committee**

The Management Committee who held office during the year were as follows:

Ann Harding  
Stephen Leslie Amphlett  
James Alexander Tod

**Principal activity**

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

**Business review**

The financial position of Settle Hydro has stabilised following the difficulties we experienced in 2013/14 and the additional shareholder funds we raised in 2014/15. Cash in our current account at the end of the year was £21,744. In addition, we have £6,500 deposited in a Charity Bank Debt Reserve Account. It is a requirement of the Charity Bank that as funds allow, we build this deposit to £13,000 before we are permitted to award any interest payments to shareholders or grants to community projects.

A new variable speed control system was successfully installed during July 2015. The new system is allowing us to generate down to lower river levels than has previously been possible and also gives us much finer control of water flowing through the fish pass. An unexpected benefit of the new system is that it has raised our peak output to over 40kW.

Total generation for 2015/16 was 107660kWh, our best year since 2011/12 when we generated 110787kWh.

Our Abstraction Licence was due for renewal in March 2016 but at the request of the Environment Agency the issue of our new licence has been delayed and we are operating under a temporary licence. At the time of writing we are being told that the licence will be issued in August 2016. We have continued to work closely with the Environment Agency and are not expecting there to be any issues with the renewal of the licence.

Following the very high river levels experience during the winter months of 2015/16, a substantial shoal of gravel and boulders has built up ahead of the inlet channel and fish pass. We believe that this shoal is compromising the flow of water through both the hydro and the fish pass at low river levels. We are negotiating with the owners of the river bed to have the obstruction removed.

**Small company provisions**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on ..... 17/4/16 ..... and signed on its behalf by:

  
.....  
Ann Harding  
Director

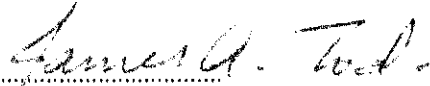
Settle Hydro Limited

Management Committee Report for the Year Ended 31 March 2016

..... *continued*



.....  
Stephen Leslie Amphlett  
Director



.....  
James Alexander Tod  
Director

**Accountants' Report to the Committee of Management on the Unaudited Financial  
Statements of  
Settle Hydro Limited  
for the Year Ended 31 March 2016**

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 and Provident Societies Act 1968, we have compiled the financial statements 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 2016 set out on 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 [icaew.com/membershandbook](http://icaew.com/membershandbook).

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

We have carried out the engagement in accordance with the 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 at 31st March 2016 that it is your duty to ensure that Settle Hydro Limited 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 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. 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. In our opinion the financial criteria for the substitution of the 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 1968 and the Friendly and Industrial and Provident Societies Act 1968.

*DSM CA Limited*

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

Date: *17/09/2016*

**Settle Hydro Limited**  
**Income and Expenditure Account for the Year Ended 31 March 2016**

	Note	2016 £	2015 £
Turnover		29,267	24,193
Administrative expenses		<u>(17,148)</u>	<u>(29,059)</u>
Operating profit/(loss)	3	12,119	(4,866)
Other exceptional items	4	-	33,501
Other interest receivable and similar income		21	22
Interest payable and similar charges		<u>(9,728)</u>	<u>(9,818)</u>
Profit on ordinary activities before taxation		<u>2,412</u>	<u>18,839</u>
Profit for the financial year	11	<u><u>2,412</u></u>	<u><u>18,839</u></u>

**Settle Hydro Limited**  
**(Registration number: IP030503)**  
**Balance Sheet at 31 March 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible fixed assets	5	<u>355,877</u>	<u>342,379</u>
<b>Current assets</b>			
Debtors	6	15,840	8,508
Cash at bank and in hand		<u>28,272</u>	<u>34,004</u>
		44,112	42,512
Creditors: Amounts falling due within one year	7	<u>(7,144)</u>	<u>(7,863)</u>
Net current assets		<u>36,968</u>	<u>34,649</u>
Total assets less current liabilities		392,845	377,028
Creditors: Amounts falling due after more than one year	8	<u>(129,641)</u>	<u>(134,986)</u>
Net assets		<u><u>263,204</u></u>	<u><u>242,042</u></u>
<b>Capital and reserves</b>			
Called up share capital	9	198,705	179,955
Profit and loss account	11	<u>64,499</u>	<u>62,087</u>
Shareholders' funds		<u><u>263,204</u></u>	<u><u>242,042</u></u>

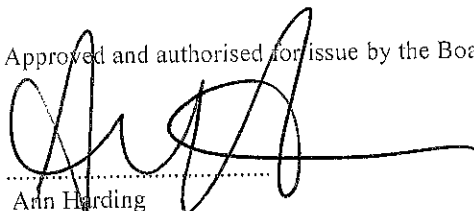
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2015).

For the year ending 31 March 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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


Approved and authorised for issue by the Board on 17/09/16 and signed on its behalf by:

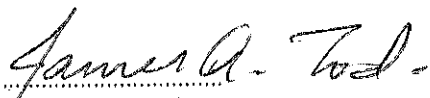
  
 .....  
 Ann Harding  
 Director



Settle Hydro Limited  
(Registration number: IP030503)  
Balance Sheet at 31 March 2016

..... *continued*

  
.....  
Stephen Leslie Amphlett  
Director

  
.....  
James Alexander Tod  
Director

## Settle Hydro Limited

### Notes to the Financial Statements for the Year Ended 31 March 2016

#### 2 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 January 2015).

##### Turnover

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

##### Depreciation

The previous years depreciation was calculated on a straightline basis at 10% for 'Other Equipment', 2.5% for the 'Screw with Trough' and 5% for the 'Sluice Gate with Hydraulics'. At the 2014 AGM it was agreed that the life of the assets needed to be extended in line with other Hydro schemes.

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

Asset class	Depreciation method and rate
Other equipment	5% straight line
Screw with Trough	1% straight line
Sluice Gate with Hydraulics	5% straight line

##### 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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

#### 3 Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	<u>9,584</u>	<u>8,277</u>

#### 4 Exceptional items

	2016 £	2015 £
Exceptional- Prior Year Depreciation write back	<u>-</u>	<u>(33,501)</u>

**Settle Hydro Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2016**

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**5 Tangible fixed assets**

	Other Equipment £	Sluice Gate & Hydraulics £	Screw with Trough £	Total £
<b>Cost or valuation</b>				
At 1 April 2015	53,371	55,541	283,129	392,041
Addition- Variable speed control	23,082	-	-	23,082
At 31 March 2016	<u>76,453</u>	<u>55,541</u>	<u>283,129</u>	<u>415,123</u>
<b>Depreciation</b>				
At 1 April 2015	16,012	16,662	16,988	49,662
Charge for the year	3,976	2,777	2,831	9,584
At 31 March 2016	<u>19,988</u>	<u>19,439</u>	<u>19,819</u>	<u>59,246</u>
<b>Net book value</b>				
At 31 March 2016	<u>56,465</u>	<u>36,102</u>	<u>263,310</u>	<u>355,877</u>
At 31 March 2015	<u>37,359</u>	<u>38,879</u>	<u>266,141</u>	<u>342,379</u>

**6 Debtors**

	2016 £	2015 £
Trade debtors	14,208	8,497
Accrued income	282	11
Prepayments	1,350	-
	<u>15,840</u>	<u>8,508</u>

**7 Creditors: Amounts falling due within one year**

	2016 £	2015 £
Charity Bank Loan	6,013	6,013
Other loans	-	1,000
VAT	281	-
Accruals and deferred income	850	850
	<u>7,144</u>	<u>7,863</u>

## Settle Hydro Limited

### Notes to the Financial Statements for the Year Ended 31 March 2016

..... *continued*

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company:

	2016 £	2015 £
Charity Bank loan	<u>6,013</u>	<u>6,013</u>

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

	2016 £	2015 £
Charity Bank Loan	<u>129,641</u>	<u>134,986</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company:

	2016 £	2015 £
Included in the creditors are the following amounts due after more than five years:		
After more than five years by instalments	<u>105,588</u>	<u>110,933</u>

#### 9 Share capital

##### Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>198,705</u>	<u>198,705</u>	<u>179,955</u>	<u>179,955</u>

##### New shares allotted

During the year 18,750 Ordinary shares having an aggregate nominal value of £18,750 were allotted for an aggregate consideration of £18,750. further share issue.

## Settle Hydro Limited

### Notes to the Financial Statements for the Year Ended 31 March 2016

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#### 10 Dividends

As a requirement of the bank no interest or dividends are to be paid to shareholders until a balance of £13,000 is held in a reserve account.

#### 11 Reserves

	Profit and loss account £	Total £
At 1 April 2015	62,087	62,087
Profit for the year	<u>2,412</u>	<u>2,412</u>
At 31 March 2016	<u>64,499</u>	<u>64,499</u>

#### 12 Control

The company is controlled by its 195 members overall. No one private individual holds more than 5% of the shares. Key Funds Yorkshire holds 11% of the shares, however each shareholder only holds one voting right each, regardless of the amount of shares held in accordance with the society rules..

**Settle Hydro Limited**  
**Detailed Profit and Loss Account for the Year Ended 31 March 2016**

	2016		2015	
	£	£	£	£
Turnover (analysed below)		29,267		24,193
Gross profit (%)		100.00%		100.00%
<b>Administrative expenses</b>				
Establishment costs (analysed below)	(5,196)		(18,858)	
General administrative expenses (analysed below)	(2,368)		(1,914)	
Finance charges (analysed below)	-		(10)	
Depreciation costs (analysed below)	(9,584)		(8,277)	
		(17,148)		(29,059)
Operating profit/(loss)		12,119		(4,866)
<b>Non-operating exceptional items</b>				
Other exceptional items (analysed below)		-		33,501
Other interest receivable and similar income (analysed below)		21		22
Interest payable and similar charges (analysed below)		(9,728)		(9,818)
Profit on ordinary activities before taxation		2,412		18,839

**Settle Hydro Limited**  
**Detailed Profit and Loss Account for the Year Ended 31 March 2016**

	2016 £	2015 £
<b>Turnover</b>		
Sales	29,267	24,193
	<u>29,267</u>	<u>24,193</u>
<b>Establishment costs</b>		
Rent and rates	4,000	3,364
Insurance	543	532
Repairs and renewals	653	14,962
	<u>5,196</u>	<u>18,858</u>
<b>General administrative expenses</b>		
Telephone and fax	563	496
Printing, postage and stationery	66	24
Environment Agency Extraction License	150	-
Trade subscriptions	255	235
Accountancy fees	850	850
Bookkeeping fees	180	124
Website	304	185
	<u>2,368</u>	<u>1,914</u>
<b>Finance charges</b>		
Bank charges	-	10
<b>Depreciation costs</b>		
Depreciation of other equipment	3,976	2,669
Depreciation of Sluice Gate with Hydraulics	2,777	2,777
Depreciation of Screw with Trough	2,831	2,831
	<u>9,584</u>	<u>8,277</u>
<b>Other exceptional items</b>		
Exceptional- Prior year Depreciation write back	-	(33,501)
<b>Other interest receivable and similar income</b>		
Bank interest receivable	21	22
	<u>21</u>	<u>22</u>
<b>Interest payable and similar charges</b>		
Loan interest	9,728	9,818
	<u>9,728</u>	<u>9,818</u>