

**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 PERIOD ENDED**

**31 MARCH 2010**

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

# **Settle Hydro Limited**

## **Contents - Period ended 31 March 2010**

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## **Settle Hydro Limited**

### **Directors' Report for the Period Ended 31 March 2010**

The directors present their report and financial statements for the period ended 31 March 2010

#### **Principal activity**

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

#### **Directors**

The directors who held office during the period were as follows

Steve Amphlett

Ann Harding

#### **Report for the year**

It has been an exciting first year for Settle Hydro. From the launch of the share issue in September 2008, to granting of planning in February 2009, start of build in June 2009, and the first electricity generated on 24th December 2009. These accounts reflect the success of this construction phase, and also indicate some of the difficulties that arose. Professional advice indicated that the build should be complete in September 2009. In the actual event, difficulties with bed rock, additional work that had to be done to satisfy the Environment Agency, and working in changeable river conditions meant it was December 2009.

The directors worked with the available cash at all times and successfully managed the financial changes required. In order to facilitate these changes, which are inevitable in such a ground breaking, innovative project we took in more share capital, a slightly increased bank loan and grant. Every decision was taken with the priority being to protect and eventually get the best return, for shareholder capital.

We have had the full support of our bankers and funders; The Charity Bank, KeyFund, CO2 Sense, YD Leader and Yorkshire Forward and we are grateful for their continued and sustained support. The project would not have been possible without the investment from shareholders who were and remain, the key to our success.

There needs to be continued careful management of the cash flow and profitability is likely to remain low for the first few years of operation, however, we have completed the build and are successfully producing clean, green, renewable energy.

The directors look forward to a first full year of electricity production.

#### **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:

Director .....

Date: .....

**Settle Hydro Limited**

**Committee of Management - Period ended 31 March 2010**

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Directors

Steve Amphlett

Ann Harding

# Settle Hydro Limited

FINANCIAL PERIOD ENDED 31 MARCH 2010

## SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Note	2010
		£
<b>Total Income</b>	1	146,734
<b>Total Expenditure</b>		74,693
		<hr/>
<b>Net Income over Expenditure</b>		72,041
<b>Bank Interest Received</b>		<hr/>
<b>Net surplus/-deficit for the year</b>		72,041
<b>Reserves brought forward</b>		<hr/>
<b>Reserves carried forward</b>		<u>72,041</u>

# Settle Hydro Ltd

**FINANCIAL PERIOD ENDED 31 MARCH 2010**

## **BALANCE SHEET**

	Note	2010 £
<b>Fixed Assets</b>	<b>2</b>	<b>356,110</b>
<b>Current Assets</b>		
Debtors	<b>3</b>	5,679
Cash at bank and in hand		<u>8,121</u>
		<u>13,800</u>
<b>Creditors: Amounts falling due within one year</b>	<b>4</b>	<u>33,218</u>
<b>Net current liabilities</b>		<u>(19,418)</u>
<b>Total assets less current liabilities</b>		336,692
<b>Creditors: Amounts falling due after more than one year</b>	<b>5</b>	(130,796)
<b>Net assets</b>		<u>205,896</u>
<b>Capital and reserves</b>		
Called up share capital	<b>6</b>	133,855
Profit and loss reserve		72,041
<b>Shareholder's funds</b>		<u>205,896</u>

For the financial period ended 31 March 2010, 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 period.

Approved by the Committee on

and signed on its behalf by:-

**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 2010 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

Nymrod House  
85 King Street  
Whalley  
Lancashire  
BB7 9SW

Date .....

# Settle Hydro Limited

## FINANCIAL PERIOD ENDED 31 MARCH 2010

### 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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##### **Deferred taxation**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRSSE

##### **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 PERIOD ENDED 31 MARCH 2010

### Notes to the Financial Statements

#### 2 Tangible fixed assets

	£
Cost	
Additions	<u>374,853</u>
Depreciation	
Charge for the period	<u>18,743</u>
Net book value	
As at 31 March 2010	<u><u>356,110</u></u>

#### 3 Debtors

	£
Other debtors	<u><u>5,678</u></u>

#### 4 Creditors: Amounts falling due within one year

	£
Bank loans and overdrafts	10,197
Trade creditors	22,072
Taxation and social security	0
Other creditors	949
	<u><u>33,218</u></u>

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

	£
Bank loans and overdrafts	<u><u>130,796</u></u>

Included in the creditors are the following amounts due after more than 5 years

After more than 5 years by instalments	102,483
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#### 6 Share capital

	£
Ordinary shares	77,405
Enterprise investment scheme shares	56,450
	<u><u>133,855</u></u>

There were 159 shareholders admitted during the period and at the end of the period

**Settle Hydro Ltd**

**FINANCIAL PERIOD ENDED 31 MARCH 2010**

**DETAILED INCOME AND EXPENDITURE ACCOUNT**

	2010	
	£	£
<b>Income</b>		
Grants and donations received	146,734	
Sales	<u>0</u>	
		146,734
<b>Expenditure</b>		
Travel expenses	820	
Insurance	481	
Rent	1,000	
Telephone	161	
Professional fees	46,455	
Accountancy charges	800	
Subscriptions	466	
Sundry expenses	288	
Bank charges	79	
Loan interest	5,401	
Depreciation	18,743	
	<u>          </u>	74,693
<b>Net surplus for the year</b>		<u>72,041</u>