

SOCIETY NO. RS007217

ORCHARD COMMUNITY ENERGY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2016

ORCHARD COMMUNITY ENERGY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016

FORMATION

The Society was formed under the Co-operative and Community Benefit Societies Act 2014 on 30 September 2015.

PRINCIPAL ACTIVITIES

The Society is a Community Benefit Society set up to deliver community-owned renewable energy, low carbon energy and energy efficiency projects in Swale and Medway.

BUSINESS REVIEW

The Society did not trade during the year. As at the balance sheet date it had raised funds amounting to £522,950 by way of a public share offer for the purposes of investing in Orchard Farm Solar Array, Iwade, Kent.

SUBSEQUENT EVENTS

At the date of signing the accounts the total amount raised for the project via share issues, loans and other funding had reached the required £6m and the solar array was commissioned on 16 June 2016. It is operated by a 100% subsidiary Orchard Community Solar C.I.C.

PLANS FOR FUTURE PERIODS

In addition to the above project, the Society intends to raise funds to reduce the dependence on external loans, and for further projects that reduce the impact of climate change and increase energy security, whilst at the same time generating a significant community fund.

DIRECTORS

The following directors served throughout the period:

David Bunker
Stephanie Karpetas
John Lancaster (resigned 30 June 2016)
Francis Mahon
Julie Salmon
Penny Shepherd MBE - Chair

In addition to the above, Matthew Gale and Tim Valentine joined the Board of Directors on 21 July 2016.

The accounts were approved on 12 September 2016 and signed on behalf of the board by


Penny Shepherd MBE, Chair


Julie Salmon, Director and Company Secretary

ORCHARD COMMUNITY ENERGY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The law governing Co-operative and Community Benefit Societies requires the directors to prepare financial statements for each financial year which give a true and fair record of the affairs of the Society and of the profit or loss of the Society for that period. In preparing those financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ORCHARD COMMUNITY ENERGY LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ORCHARD COMMUNITY ENERGY LIMITED FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of Orchard Community Energy Limited for the year ended 31 March 2016, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Society's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an Auditor's 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 Society and its members as a body, for our audit work, for the report or for the opinions we have formed.

Respective responsibilities of the directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private/cfm.

Opinion

In our opinion, the financial statements:

- Give a true and fair view of the state of the Society's affairs as at 31 March 2016, and of its income and expenditure for the year ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and with the Co-operative and Community Benefit Societies Act 2014.

ORCHARD COMMUNITY ENERGY LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ORCHARD COMMUNITY ENERGY LIMITED FOR THE YEAR ENDED 31 MARCH 2016

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- The Society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation;
- The revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the Society's books of account; or
- We have not obtained all the information and explanations necessary for the purposes of our audit



Andrew Fisher FCA (Senior Statutory Auditor)
for and on behalf of

Alanbrookes Limited

Chartered Accountants
Statutory Auditor

PO Box 258
Stroud
Gloucestershire
GL6 8WZ

12th September 2016

ORCHARD COMMUNITY ENERGY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2016

The Society did not trade in the period, and so incurred neither profit nor loss.

BALANCE SHEET AS AT 31ST MARCH 2016

	31 st March 2016 £
Cash at bank and in hand	<u>522,950</u>
<u>Financed by</u>	
Member shares (see note 2)	<u>522,950</u>

The notes to the financial statements form part of these financial statements.

The directors acknowledge their responsibilities for ensuring that

- The Society keeps accounting records which comply with the Co-operative and Community Benefit Societies Act 2014
- The financial statements give a true and fair view of the state of affairs of the Society as at the year end and of its profit or loss for the year then ended, and which otherwise comply with the requirements of the Co-operative and Community Benefits Society Act 2014 relating to financial statements so far as is applicable to the Society.

Approved by the board on 12 September 2016 and signed on their behalf by



David Bunker, Director



Julie Salmon, Director and Company Secretary

ORCHARD COMMUNITY ENERGY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

1. Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller entities (effective January 2015).

2. Share capital

During the period a total of 52,295 £10 member shares were issued for a cash consideration.

3. Post balance sheet events

Subsequent to the balance sheets date the total amount raised for the project via share issues, loans and other funding reached the required £6m and the solar array was commissioned on 16 June 2016.

4. Controlling party

In the opinion of the directors, there is no overall controlling party.