

Registered number: 09644245

**Community Energy Lower Basset Down C.I.C.**

**Directors' report and financial statements  
for the year ended 31 December 2018**

|     |                 |  |
|-----|-----------------|--|
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|     | COMPANIES HOUSE |  |

## **Community Energy Lower Basset Down C.I.C.**

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## **Community Energy Lower Basset Down C.I.C.**

### **Company information**

|                             |  |
|-----------------------------|--|
| <b>Directors</b>            | D Nickel (resigned 15 October 2018)<br>M M Missling (resigned 15 October 2018)<br>T S Krupke (appointed 15 October 2018) |
| <b>Registered number</b>    | 09644245   |
| <b>Registered office</b>    | C/O Stephens Scown Secretarial Limited<br>Osprey House<br>Malpas Road<br>Truro<br>Cornwall<br>TR1 1UT                    |
| <b>Independent auditors</b> | PKF Littlejohn LLP<br>Chartered Accountants<br>1 Westferry Circus<br>London<br>E14 4HD                                   |

## **Community Energy Lower Basset Down C.I.C.**

### **Directors' report for the year ended 31 December 2018**

The directors present their report and the financial statements for the year ended 31 December 2018.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

#### **Principal activity**

The company's principal activity is the operation of a solar farm.

#### **Directors**

The directors who served during the year were:

D Nickel (resigned 15 October 2018)  
M M Missling (resigned 15 October 2018)  
T S Krupke (appointed 15 October 2018)

#### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Community Energy Lower Basset Down C.I.C.**

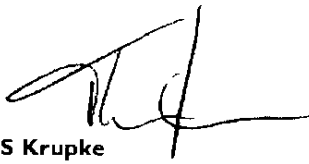
**Directors' report (continued)  
for the year ended 31 December 2018**

**Auditors**

The auditors, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'T S Krupke', written over a horizontal line.

**T S Krupke**  
Director

Date 30.04.2019

## **Community Energy Lower Basset Down C.I.C.**

### **Independent auditors' report to the members of Community Energy Lower Basset Down C.I.C.**

#### **Opinion**

We have audited the financial statements of Community Energy Lower Basset Down C.I.C. (the 'company') for the year ended 31 December 2018 which comprise the Profit and Loss Account, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Other Matter**

The financial statements for the year ended 31 December 2016 were audited by RSM UK Audit LLP. The opinion was unmodified and the date of the audit report was 7 November 2017.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Community Energy Lower Basset Down C.I.C.**

### **Independent auditors' report to the members of Community Energy Lower Basset Down C.I.C.**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Community Energy Lower Basset Down C.I.C.**

### **Independent auditors' report to the members of Community Energy Lower Basset Down C.I.C.**

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Eric Hindson (Senior Statutory Auditor)  
For and on behalf of PKF Littlejohn LLP  
Statutory Auditor

1 Westferry Circus  
Canary Wharf  
London E14 4HD

30/04/2019



## Community Energy Lower Basset Down C.I.C.

### Profit and loss account for the year ended 31 December 2018

|                                    | Note | 2018<br>£       | 2017<br>£        |
|------------------------------------|------|-----------------|------------------|
| Turnover                           |      | 558,794         | 521,004          |
| Cost of sales                      |      | (281,361)       | (301,054)        |
| <b>Gross profit</b>                |      | <b>277,433</b>  | <b>219,950</b>   |
| Administrative expenses            |      | (111,135)       | (97,801)         |
| Other operating income             |      | -               | 18,389           |
| <b>Operating profit</b>            |      | <b>166,298</b>  | <b>140,538</b>   |
| Interest payable and expenses      |      | (278,546)       | (319,832)        |
| Other finance income/(expense)     |      | 48,788          | (6,898)          |
| <b>Loss before tax</b>             |      | <b>(63,460)</b> | <b>(186,192)</b> |
| Tax on loss                        | 4    | -               | 18,000           |
| <b>Loss for the financial year</b> |      | <b>(63,460)</b> | <b>(168,192)</b> |

There was no other comprehensive income for 2018 (2017:£NIL).

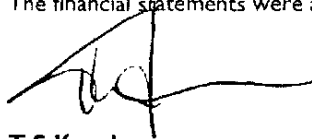
**Community Energy Lower Basset Down C.I.C.**  
**Registered number: 09644245**

**Balance sheet**  
**as at 31 December 2018**

|   | Note | 2018<br>£          | 2018<br>£          | 2017<br>£   | 2017<br>£          |
|---|------|--------------------|--------------------|-------------|--------------------|
| <b>Fixed assets</b>                                     |      |                    |                    |             |                    |
| Tangible assets   | 5    |                    | <b>5,014,353</b>   |             | <b>5,237,713</b>   |
|   |      |                    | <b>5,014,353</b>   |             | <b>5,237,713</b>   |
| <b>Current assets</b>                                   |      |                    |                    |             |                    |
| Debtors: amounts falling due within one year            | 6    | <b>376,454</b>     |                    | 240,156     |                    |
| Cash at bank and in hand                                |      | <b>365,253</b>     |                    | 361,355     |                    |
|   |      | <b>741,707</b>     |                    | 601,511     |                    |
| Creditors: amounts falling due within one year          | 7    | <b>(2,052,251)</b> |                    | (1,903,785) |                    |
| <b>Net current liabilities</b>                          |      |                    | <b>(1,310,544)</b> |             | <b>(1,302,274)</b> |
| <b>Total assets less current liabilities</b>            |      |                    | <b>3,703,809</b>   |             | <b>3,935,439</b>   |
| Creditors: amounts falling due after more than one year | 8    |                    | <b>(3,886,871)</b> |             | <b>(4,056,420)</b> |
| <b>Provisions for liabilities</b>                       |      |                    |                    |             |                    |
| Other provisions  | 11   | <b>(92,740)</b>    |                    | (91,360)    |                    |
|   |      |                    | <b>(92,740)</b>    |             | <b>(91,360)</b>    |
| <b>Net liabilities</b>                                  |      |                    | <b>(275,802)</b>   |             | <b>(212,341)</b>   |
| <b>Capital and reserves</b>                             |      |                    |                    |             |                    |
| Called up share capital                                 |      |                    | <b>2</b>           |             | <b>2</b>           |
| Profit and loss account                                 |      |                    | <b>(275,804)</b>   |             | <b>(212,343)</b>   |
|   |      |                    | <b>(275,802)</b>   |             | <b>(212,341)</b>   |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**T S Krupke**  
Director

Date:

30.04.2019

The notes on pages 8 to 16 form part of these financial statements.

## **Community Energy Lower Basset Down C.I.C.**

### **Notes to the financial statements for the year ended 31 December 2018**

#### **1. General information**

Community Energy Lower Basset Down C.I.C. is a community interest company incorporated in England and Wales. Its registered office address is C/O Stephens Scown Secretarial Limited, Osprey House, Malpas Road, Truro, Cornwall, TR1 1UT.

The company's solar farm and principal place of business is located at Cancourt Farm, Hay Lane, Lower Basset Down, Wroughton, Swindon, SN4 9QP.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, under the historical cost convention. The disclosure requirements of Section 1A of FRS 102 have been applied.

The financial statements are presented in pound sterling and all values are rounded to the nearest pound (£) except where otherwise indicated.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The financial statements have been prepared on the basis the company is a going concern, which the directors consider appropriate.

The company has net current liabilities and is therefore dependent upon continuing financial support being made available by its ultimate parent company to enable it to continue to meet its obligations as they fall due.

The directors have separately reviewed integrated forecasts for the company, for the foreseeable future, which indicate that the company will be able to meet its cash flow demands and liabilities as they fall due from cash flows from operations and existing working capital.

##### **2.3 Revenue recognition**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

###### **Generation and embedded benefits turnover**

Turnover from the sale of electricity represents the invoice value, excluding VAT, of electricity provided to third parties and is recognised when electricity is generated. Embedded benefits are paid to generating plant located on the distribution network to reflect the lower cost of transporting electricity to the end user and are recorded at the invoice value

###### **Feed-in tariff (FIT) turnover**

The company is eligible to receive FITs in respect of the electricity it produces. FIT income is recorded as accrued income at invoice value and recognised in turnover when the electricity is produced.

##### **2.4 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

## **Community Energy Lower Basset Down C.I.C.**

### **Notes to the financial statements for the year ended 31 December 2018**

#### **2. Accounting policies (continued)**

##### **2.5 Finance costs**

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.6 Borrowing costs**

Upfront financing costs such as arrangement fees are initially capitalised and offset against the outstanding loan facility. These fees are then released to profit and loss over the life of the loan.

##### **2.7 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## **Community Energy Lower Basset Down C.I.C.**

### **Notes to the financial statements for the year ended 31 December 2018**

#### **2. Accounting policies (continued)**

##### **2.8 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|            |   |    |
|------------|---|----|
| Solar park | - | 4% |
|------------|---|----|

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account

##### **2.9 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.10 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## **Community Energy Lower Basset Down C.I.C.**

### **Notes to the financial statements for the year ended 31 December 2018**

#### **2. Accounting policies (continued)**

##### **2.11 Financial instruments**

The entity has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate derivatives.

The company's financing arrangement with Bayerische Landesbank includes a financial instrument in the form of an interest rate swap agreement. This has the effect of converting a variable rate loan into a fixed rate loan. Bayerische Landesbank provide an estimate of the value of the swap agreement at each period end. Changes in the fair value of the instrument are recognised in other financial income or expenses.

##### **2.12 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured at amortised cost using the effective interest method.

##### **2.13 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet

Where the company, as lessee, is contractually required to restore leased property to an agreed condition prior to the release by a lessor, provision is made for such costs as they are identified.

#### **3. Employees**

The average monthly number of employees, including directors, during the year was nil (2017 - nil).

## Community Energy Lower Basset Down C.I.C.

### Notes to the financial statements for the year ended 31 December 2018

#### 4. Taxation

|   | 2018<br>£ | 2017<br>£ |
|---|-----------|-----------|
| <b>Total current tax</b>                                | -         | -         |
| <b>Deferred tax</b>                                     |           |           |
| Origination and reversal of timing differences          | -         | (18,000)  |
| <b>Total deferred tax</b>                               | -         | (18,000)  |
| <b>Taxation on profit/(loss) on ordinary activities</b> | -         | (18,000)  |

#### 5. Tangible fixed assets

|                          | Solar park<br>£ |
|--------------------------|-----------------|
| <b>Cost or valuation</b> |                 |
| At 1 January 2018        | 5,583,997       |
| At 31 December 2018      | 5,583,997       |
| <b>Depreciation</b>      |                 |
| At 1 January 2018        | 346,284         |
| Charge for the year      | 223,360         |
| At 31 December 2018      | 569,644         |
| <b>Net book value</b>    |                 |
| At 31 December 2018      | 5,014,353       |
| At 31 December 2017      | 5,237,713       |

## Community Energy Lower Basset Down C.I.C.

### Notes to the financial statements for the year ended 31 December 2018

#### 6. Debtors

|                                    | 2018<br>£      | 2017<br>£      |
|------------------------------------|----------------|----------------|
| Trade debtors                      | 56,274         | -              |
| Amounts owed by group undertakings | -              | 25,645         |
| Other debtors                      | 166,418        | 162,577        |
| Prepayments and accrued income     | 107,871        | 51,934         |
| Financial instruments              | 45,891         | -              |
|                                    | <u>376,454</u> | <u>240,156</u> |

Other debtors includes £166,418 (2017: £162,577) held on deposit over which the company's bankers have placed restrictions.

#### 7. Creditors: amounts falling due within one year

|                                    | 2018<br>£        | 2017<br>£        |
|------------------------------------|------------------|------------------|
| Bank overdrafts                    | 180              | -                |
| Bank loans                         | 169,550          | 157,400          |
| Trade creditors                    | 132,792          | 167,521          |
| Amounts owed to group undertakings | 1,579,062        | 1,451,856        |
| Other taxation and social security | 38,191           | 35,490           |
| Accruals and deferred income       | 132,476          | 88,621           |
| Financial instruments              | -                | 2,897            |
|                                    | <u>2,052,251</u> | <u>1,903,785</u> |

Included within amounts owed to group undertakings is an unsecured loan to the value of £1,571,536 (2017: £1,437,052) from the immediate parent entity on which interest is incurred at a rate of 8.0%. The interest accrued to 31 December 2018 totalled £119,680 (2017: £14,804) and is included within amounts owed to group undertakings. The loan has no fixed repayment date.

Accruals and deferred income includes £nil (2017: £27,643) due to Lower Basset Down PV Limited.



## Community Energy Lower Basset Down C.I.C.

### Notes to the financial statements for the year ended 31 December 2018

#### 8. Creditors: amounts falling due after more than one year

|            | 2018<br>£        | 2017<br>£        |
|------------|------------------|------------------|
| Bank loans | 3,886,871        | 4,056,420        |
|            | <u>3,886,871</u> | <u>4,056,420</u> |

#### Secured loans

The company has provided security for its bank loans through fixed and floating charges over its assets. Secured liabilities total £4,215,199 (2017: £4,378,760).

#### 9. Loans

Analysis of the maturity of loans is given below:

|  | 2018<br>£        | 2017<br>£        |
|--|------------------|------------------|
| <b>Amounts falling due within one year</b>         |                  |                  |
| Bank loans   | 169,550          | 157,400          |
| Amounts owed to parent company                     | 1,571,536        | 1,451,856        |
|  | <u>1,741,086</u> | <u>1,609,256</u> |
| <b>Amounts falling due 1-2 years</b>               |                  |                  |
| Bank loans   | 181,820          | 169,549          |
|  | <u>181,820</u>   | <u>169,549</u>   |
| <b>Amounts falling due 2-5 years</b>               |                  |                  |
| Bank loans   | 590,680          | 562,820          |
|  | <u>590,680</u>   | <u>562,820</u>   |
| <b>Amounts falling due after more than 5 years</b> |                  |                  |
| Bank loans - repayable by instalments              | 3,114,371        | 3,324,051        |
|  | <u>3,114,371</u> | <u>3,324,051</u> |
|  | <u>5,627,957</u> | <u>5,665,676</u> |

## Community Energy Lower Basset Down C.I.C.

### Notes to the financial statements for the year ended 31 December 2018

#### 10. Financial instruments

The carrying amount of each category of the company's financial instruments held at fair value through profit or loss at 31 December were:

|   | 2018<br>£     | 2017<br>£      |
|---|---------------|----------------|
| Financial instruments (creditor)/debtor | 45,891        | (2,897)        |
|   | <u>45,891</u> | <u>(2,897)</u> |

#### Interest rate swaps

The company uses interest rate swaps to manage its exposure to interest rate movements on its bank borrowings. Contracts with nominal values of £3,716,000 (2017: £3,716,000) fix interest payments on variable rate debts at a fixed rate of 3.87% until the maturity of the loan in 2033. Contracts with nominal values of £499,200 (2017: £662,760) fix interest payments on variable rate debts at a fixed rate of 2.96% until the maturity of the loan in 2021. They are valued on a mark to market basis at the period end, with changes in fair values recognised through the profit and loss account. Fair value movements in this period resulted in an unrealised gain of £48,788 (2017: unrealised loss of £6,898).

#### 11. Provisions

|                            | Deconstruction<br>provision<br>£ |
|----------------------------|----------------------------------|
| At 1 January 2018          | 91,360                           |
| Charged to profit or loss  | 1,380                            |
| <b>At 31 December 2018</b> | <b><u>92,740</u></b>             |

The company's lease over the land, on which it has constructed a solar park, requires it to return the land to its original condition at the expiry of the lease. This provision comprises the present value of the estimated cost of complying with the terms of the lease, and has been capitalised in line with requirements of FRS 102.

## **Community Energy Lower Basset Down C.I.C.**

### **Notes to the financial statements for the year ended 31 December 2018**

#### **12. Commitments under operating leases**

At 31 December 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

|  | 2018<br>£        | 2017<br>£        |
|--|------------------|------------------|
| Not later than 1 year                        | 28,444           | 27,947           |
| Later than 1 year and not later than 5 years | 119,580          | 117,491          |
| Later than 5 years                           | 905,861          | 938,697          |
|  | <u>1,053,885</u> | <u>1,084,135</u> |

The company purchased a lease over the land on which it has constructed a solar park. The lease was signed on 18 September 2015 for a term of 31 years.

The lease includes a mechanism to uplift the minimum rent to reflect an increase in the retail prices index (RPI). The operating lease commitment shown above assumes the RPI will rise at 2% per annum over the remaining lease term.

#### **13. Related party transactions**

The Company is not required to disclose other related party transactions as they are with other companies that are wholly owned within the group.

#### **14. Controlling party**

The immediate parent company is LBD Holdco Limited, a company incorporated in England and Wales which prepares consolidated accounts. Its registered office is C/O Stephens Scown Secretarial Limited, Osprey House, Malpas Road, Truro, Cornwall, TR1 1UT.

The ultimate parent undertaking and controlling party in this group is considered to be Clere AG, a company incorporated in the Federal Republic of Germany under registration number HRB 182215

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£15

000001-152

# CIC 34

## Community Interest Company Report

**For official use**  
(Please leave blank)

|  |
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|  |
|--|

*Please  
complete in  
typescript, or  
in bold black  
capitals.*

**Company Name in  
full**

COMMUNITY ENERGY LOWER BASSET DOWN  
C.I.C.

**Company Number**

09644245

**Year Ending**

31 DECEMBER 2018

**Please ensure the company name is consistent with the company name entered on the accounts.**

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

**(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)**

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## **PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT**

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

**The Company is a wholly owned subsidiary of LBD Holdco Limited, which itself is a subsidiary of Clere AG, an organisation with specialist expertise in the fields of renewable energies, environmental technology and SME financing.**

**The Company operates a Solar PV site, certain revenue from which is used to benefit the community.**

**The Solar PV site, in itself, has generated clean energy which has resulted in a carbon saving when compared to energy derived from fossil fuels.**

**Following the appointment of a CIC Community Benefit Fund Manager in October 2016, the Community Benefit Fund Manager has developed contacts with the local council, third sector and community organisations in the target locality to promote the Company and discuss potential activities. A Community Benefit Plan was developed as a result.**

**Further to the development of the Community Benefit Plan, a collaboration was agreed with a charitable organisation which supports community participation (one of the Company's activities) by providing grants and development support to local groups for specific projects of community benefit. The Company provided funds to this delivery partner for 1:1 match funding from the "#iwill" Youth Social Action Fund, to be used as a Community Benefit Fund distributed to local groups undertaking eligible youth social action projects undertaking eligible activities. The activities all involved young people, many facing disadvantage, such as living in an area of high deprivation, having learning disabilities or other challenges. Activities included volunteering (and volunteer mentoring), sport, art, film-making and the re-use of waste materials for creative purposes. Benefits included: skill development (including the ability to teach others) which increased employability; increased confidence; improved connections between individuals and groups, reducing social isolation; and waste materials being diverted from landfill.**

*(If applicable, please just state "A social audit report covering these points is attached").*

*(Please continue on separate continuation sheet if necessary.)*

**PART 2 – CONSULTATION WITH STAKEHOLDERS** – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

**The Company's main stakeholders are:**

- Its shareholder
- The community of Wiltshire and in particular residents and communities in the vicinity of Swindon; and
- The Wiltshire-based charitable organisation referred to in part 1.

**Shareholders**

The Company has sought the views of its shareholders on the Community Benefit Plan in place which has supported its continued implementation.

**The community of Wiltshire and in particular residents and communities in the vicinity of Swindon**

As set out in part 1 above, the Community Benefit Fund Manager has used its contacts within the local council, third sector and community organisations to develop its Community Benefit Plan.

**The Wiltshire-based charitable organisation referred to in part 1**

The Wiltshire-based charitable organisation has been consulted directly by the Company's Community Benefit Fund Manager in order to agree processes for the effective delivery of the Community Benefit Fund, appropriate to the established role of the delivery partner in the target locality and their long expertise.

Consultation and feedback over the period have led to the clarification of roles and responsibilities and the development of useful processes, such as a scoring system to support grant-making decisions.

*(If applicable, please just state "A social audit report covering these points is attached").*

**PART 3 – DIRECTORS’ REMUNERATION** – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, “There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director’s loss of office, which require to be disclosed” (See example with full notes). If no remuneration was received you must state that “no remuneration was received” below.

**No remuneration was received by the Directors.**

**PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION** – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that “no transfer of assets other than for full consideration has been made” below.

**No transfer of assets other than for full consideration has been made**

*(Please continue on separate continuation sheet if necessary.)*



## PART 5 – SIGNATORY

**The original report must be signed by a director or secretary of the company**

Signed



Date

23 08 18

*Office held (delete as appropriate) Director/Secretary*

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

|                       |             |
|-----------------------|-------------|
| Clere AG              |             |
| Schluterstr. 45       |             |
| 10707 Berlin, Germany |             |
| Tel                   |             |
| DX Number             | DX Exchange |

**When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:**

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ  
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139  
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38  
Linenhall Street, Belfast, BT2 8BG

The accounts and CIC34 **cannot** be filed online

**(N.B. Please enclose a cheque for £15 payable to Companies House)**