

Financial Statements

Blue Energy Sustainable Community Initiatives Limited

For the period ended 31 March 2018

Registered number: 10631035

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Company Information

Directors

C J Dean
S J Foy
D J Coleman

Company secretary

S Armstrong

Registered number

10631035

Registered office

10 West Street
Alderley Edge
Cheshire
SK9 7EG

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Senior Statutory Auditor
4 Hardman Square
Spinningfields
Manchester
M3 3EB

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Directors' Report

For the Period Ended 31 March 2018

The directors present their report and the financial statements for the period ended 31 March 2018.

Principal activity

The principal activity of the Company is that of the management of funds provided by operating wind farms for investment in the surrounding community.

Directors

The directors who served during the period were:

C J Dean (appointed 21 February 2017)
S J Foy (appointed 21 February 2017)
D J Coleman (appointed 18 January 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.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Post balance sheet events

The company has ceased to trade after the year end as the management of Community Benefit funds has reverted to Fern Partnerships Holdings Limited.

Directors' Report (continued)

For the Period Ended 31 March 2018

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 7th October 2018 and signed on its behalf:



S J Foy
Director

Independent Auditor's Report to the Shareholders of Blue Energy Sustainable Community Initiatives Limited

Opinion

We have audited the financial statements of Blue Energy Sustainable Community Initiatives Limited for the period ended 31 March 2018, which comprise the profit and loss account, the balance sheet and the related notes, 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 March 2018 and of its result for the period 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.

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 United Kingdom, including the Financial Reporting Council'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.

Who we are reporting to

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.

Independent Auditor's Report to the Shareholders of Blue Energy Sustainable Community Initiatives Limited (continued)

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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. 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 period 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.

Independent Auditor's Report to the Shareholders of Blue Energy Sustainable Community Initiatives Limited (continued)

Matter on which we are required to report by the Companies Act 2006

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.

Matters on which we are required to report by exception

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 for the financial statements

As explained more fully in the Directors' responsibilities statement on page 1, 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.



Independent Auditor's Report to the Shareholders of Blue Energy Sustainable Community Initiatives Limited (continued)

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

A handwritten signature in black ink, appearing to read "Carl Williams".

Carl Williams
Senior statutory auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester

31 October 2014

Profit and loss account

For the Period Ended 31 March 2018

| | Note | 2018 £ |
|---------------------------------|------|-----------|
| Turnover- continuing operations | | 66,148 |
| Administrative expenses | | (66,148) |
| Result for the period | | - |

There were no recognised gains and losses for 2018 other than those included in the profit and loss account.

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

Balance Sheet

As at 31 March 2018

| | Note | 2018 £ |
|--|------|---------------|
| Current assets | | |
| Debtors: amounts falling due within one year | 6 | 55,530 |
| | | <u>55,530</u> |
| Creditors: amounts falling due within one year | 7 | (55,530) |
| | | <u></u> |
| Net current assets | | - |
| Total assets less current liabilities | | - |
| | | <u></u> |
| Net assets | | - |
| | | <u></u> |
| Capital and reserves | | |
| Profit and loss account | | - |
| | | <u></u> |
| | | <u></u> |

The financial statements have been produced in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

7th October 2018.



SJ Foy
Director

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

Notes to the Financial Statements

For the Period Ended 31 March 2018

1. General information

Blue Energy Sustainable Community Initiatives Limited is incorporated in the United Kingdom, and its registered office is at 10 West Street, Alderley Edge, Cheshire, SK9 7EG.

The principal activity of the Company is that of the management of funds provided by operating wind farms for investment in the surrounding community.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in pounds Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Turnover represents management fees receivable from the community funds to which the Company is engaged to manage. Revenue is recognised to cover expenses incurred during the period with any excess management fees receivable deferred to cover future expenses.

2.3 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.

2.4 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

Notes to the Financial Statements

For the Period Ended 31 March 2018

2. Accounting policies (continued)

2.4 Financial instruments (continued)

impairment loss is recognised in the Statement of income and retained earnings.

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.

2.5 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Management have determined that there are no areas subject to significant judgement within these financial statements.

Notes to the Financial Statements

For the Period Ended 31 March 2018

4. Operating profit

The audit fee for the period has been borne by a fellow group company.

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration.

6. Debtors

| | 2018 £ |
|--------------------------------------|-----------|
| Trade debtors | 10,586 |
| Amounts owed by related undertakings | 44,944 |
| | <hr/> |
| | 55,530 |
| | <hr/> |

7. Creditors: Amounts falling due within one year

| | 2018 £ |
|-----------------|-----------|
| Deferred income | 55,530 |
| | <hr/> |

8. Capital and reserves

The company has no share capital. The company is limited by guarantee and the liability of each member is limited to £1.

9. Contingent liabilities

The directors have confirmed that there were no contingent liabilities which should be disclosed at 31 March 2018.

Notes to the Financial Statements

For the Period Ended 31 March 2018

10. Related party transactions

| | 2018 £ |
|---------------------------------|-----------|
| Blue Energy Partnership Limited | 44,944 |

Blue Energy Partnership Limited is related by common ownership.

11. Post balance sheet events

The company has ceased to trade after the year end as the management of Community Benefit funds has reverted to Fern Partnerships Holdings Limited.