Registered number: RS007080

CHELWOOD COMMUNITY ENERGY LTD

DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

SOCIETY INFORMATION

Directors	Mr D Bunker Mr B Godfrey Mr P Jones Mr E Maxwell Mr D Weston
Society secretary	Community Owned Asset Management Limited
Registered number	RS007080
Registered office	W106 Vox Studios 1-45 Durham Street Vauxhall London SE11 5JH
Independent auditors	The Alanbrookes Group Ltd 24 Glove Factory Studios 1 Brook Lane Holt Wiltshire BA14 6RL

CONTENTS

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the consolidated 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 Society and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group'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 Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

Mr D Bunker
Mr B Godfrey
Mr P Jones
Mr E Maxwell
Mr D Weston

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 Society and the Group'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 Society and the Group's auditors are aware of that information.

Auditors

The auditors, The Alanbrookes Group Ltd, 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.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

This report was approved by the board on 14 September 2022 and signed on its behalf.

....	....
Mr D Weston	Mr D Bunker
Director	Director

On behalf of Community Owned Asset Management Limited
Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHELWOOD COMMUNITY ENERGY LTD

Opinion

We have audited the financial statements of Chelwood Community Energy Ltd (Consolidated) (the 'parent Society') and its subsidiary (the 'Group') for the year ended 31 March 2022, which comprise the Group Statement of Income and Retained Earnings, the Group and Society Balance Sheets, the Group and Society Statement of Changes in Equity 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 Group's and of the parent Society's affairs as at 31 March 2022 and of the Group's 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 Co-operative and Community Benefit Societies Act 2014

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHELWOOD COMMUNITY ENERGY LTD (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Co-operative and Community Benefit Societies Act 2014

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 Group and the parent Society 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 Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Society, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Society 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 Group Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out 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 Group's and the parent Society'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 Group or the parent Society or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHELWOOD COMMUNITY ENERGY LTD (CONTINUED)

Auditors' 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 Auditors' 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Company and industry, we evaluated that the principal risks of non-compliance with laws and regulations related to UK tax legislation, Health and Safety Executive legislation, Employment Law, Data Protection legislation and implementation of government Covid-19 support schemes, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including override of controls). Audit procedures performed included:

- Evaluating management's controls designed to prevent and detect irregularities;
- Substantive testing of specific transactions and balances.

Although we have nothing adverse to report in terms of the results of the procedures listed above, there are inherent limitations in such procedures. We are less likely to become aware of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Auditors' Report.

Use of our report

This report is made solely to the Society'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 Society's members those matters we are required to state to them in an Auditors' 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 the Society's members, as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHELWOOD COMMUNITY ENERGY LTD (CONTINUED)

Andrew Fisher BA FCA (Senior Statutory Auditor)

for and on behalf of
The Alanbrookes Group Ltd

24 Glove Factory Studios
1 Brook Lane
Holt
Wiltshire
BA14 6RL

14 September 2022

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Turnover		**648,499**	*670,130*
Cost of sales		**(7,189)**	*(5,850)*
Gross profit		**641,310**	*664,280*
Administrative expenses		**(424,699)**	*(408,271)*
Operating profit		**216,611**	*256,009*
Interest receivable and similar income		**277**	*667*
Interest payable and similar expenses		**(277,165)**	*(280,982)*
Loss before tax		**(60,277)**	*(24,306)*
Loss after tax		**(60,277)**	*(24,306)*
Retained earnings at the beginning of the year		**(474,473)**	*(450,167)*
		(474,473)	*(450,167)*
Loss for the year attributable to the owners of the parent		**(60,277)**	*(24,306)*
Retained earnings at the end of the year		**(534,750)**	*(474,473)*
Non-controlling interest at the end of the year			

The notes on pages 14 to 23 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		*2021 £*
Fixed assets					
Intangible assets	5		**212,536**		*223,871*
Tangible assets	6		**3,825,786**		*4,068,139*
Investments	7		**60,001**		*60,001*
			4,098,323		*4,352,011*
Current assets					
Debtors: amounts falling due within one year	8	**312,158**		*345,545*	
Cash at bank and in hand	9	**483,083**		*405,681*	
		795,241		*751,226*	
Creditors: amounts falling due within one year	10	**(181,841)**		*(166,466)*	
Net current assets			**613,400**		*584,760*
Total assets less current liabilities			**4,711,723**		*4,936,771*
Creditors: amounts falling due after more than one year	11		**(2,784,373)**		*(2,938,144)*
Provisions for liabilities					
Net assets			**1,927,350**		*1,998,627*
Net assets			**1,927,350**		*1,998,627*
Capital and reserves					
Called up share capital			**2,462,100**		*2,473,100*
Profit and loss account			**(534,750)**		*(474,473)*
Equity attributable to owners of the parent Society			**1,927,350**		*1,998,627*
			1,927,350		*1,998,627*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The financial statements have been prepared 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 14 September 2022.

Mr D Weston	**Mr D Bunker**
Director	Director

On behalf of Community Owned Asset Management Limited
Secretary

The notes on pages 14 to 23 form part of these financial statements.

SOCIETY BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		2021 £
Fixed assets					
Investments	7		**343,477**		*343,477*
			343,477		*343,477*
Current assets					
Debtors: amounts falling due within one year	8	**911,303**		*1,193,146*	
Cash at bank and in hand	9	**172,057**		*78,668*	
		1,083,360		*1,271,814*	
Creditors: amounts falling due within one year	10	**(1,268)**		*(1,361)*	
Net current assets			**1,082,092**		*1,270,453*
Total assets less current liabilities			**1,425,569**		*1,613,930*
Net assets			**1,425,569**		*1,613,930*
Net assets			**1,425,569**		*1,613,930*
Capital and reserves					
Called up share capital			**2,462,100**		*2,473,100*
Profit and loss account brought forward		**(859,170)**		*(684,162)*	
Loss for the year		**(177,361)**		*(175,008)*	
Profit and loss account carried forward			**(1,036,531)**		*(859,170)*
			1,425,569		*1,613,930*

SOCIETY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Society's 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 on 14 September 2022.

Mr D Weston
Director

Mr D Bunker
Director

On behalf of Community Owned Asset Management Limited
Secretary

The notes on pages 14 to 23 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Society	Total equity
	£	£	£	£
At 1 April 2020	**2,478,600**	**(450,167)**	**2,028,433**	**2,028,433**
Comprehensive income for the year				
Loss for the year	**-**	**(24,306)**	**(24,306)**	**(24,306)**
Total comprehensive income for the year	**-**	**(24,306)**	**(24,306)**	**(24,306)**
Shares redeemed during the year	**(5,500)**	**-**	**(5,500)**	**(5,500)**
Total transactions with owners	**(5,500)**	**-**	**(5,500)**	**(5,500)**
At 1 April 2021	**2,473,100**	**(474,473)**	**1,998,627**	**1,998,627**
Comprehensive income for the year				
Loss for the year	**-**	**(60,277)**	**(60,277)**	**(60,277)**
Total comprehensive income for the year	**-**	**(60,277)**	**(60,277)**	**(60,277)**
Shares redeemed during the year	**(11,000)**	**-**	**(11,000)**	**(11,000)**
Total transactions with owners	**(11,000)**	**-**	**(11,000)**	**(11,000)**
At 31 March 2022	**2,462,100**	**(534,750)**	**1,927,350**	**1,927,350**

SOCIETY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	**2,478,600**	**(684,162)**	**1,794,438**
Comprehensive income for the year			
Loss for the year	**-**	**(175,008)**	**(175,008)**
Total comprehensive income for the year	**-**	**(175,008)**	**(175,008)**
Contributions by and distributions to owners			
Shares redeemed during the year	**(5,500)**	**-**	**(5,500)**
Total transactions with owners	**(5,500)**	**-**	**(5,500)**
At 1 April 2021	**2,473,100**	**(859,170)**	**1,613,930**
Comprehensive income for the year			
Loss for the year	**-**	**(177,361)**	**(177,361)**
Total comprehensive income for the year	**-**	**(177,361)**	**(177,361)**
Contributions by and distributions to owners			
Shares redeemed during the year	**(11,000)**	**-**	**(11,000)**
Total transactions with owners	**(11,000)**	**-**	**(11,000)**
At 31 March 2022	**2,462,100**	**(1,036,531)**	**1,425,569**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The company is a private company limited by share capital, incorporated in England and Wales.
It is constituted as a community benefit society under the Co-operative and Community Benefit Societies Act 2014.

The address of its registered office:
W106 Vox Studios
1-45 Durham Street
Vauxhall
London
SE11 5JH

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 Society has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Income and Retained Earnings in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Society and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Income and Retained Earnings from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2016.

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss 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

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2. Accounting policies (continued)

2.7 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Income and Retained Earnings over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	25	years

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.

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 installations	- 25 years straight line, with 10 years for certain components
Gate and groundworks	- 26.36 years straight line

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 profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.10 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.

2.11 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.

2.12 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.

2.13 Financial instruments

The Group 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated Statement of Income and Retained Earnings if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.13 Financial instruments (continued)

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 Consolidated 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 Group 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 and forward foreign exchange contracts, 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 and foreign exchange derivatives.

3. Auditors' remuneration

	2022 **£**	*2021* *£*
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	**3,300**	*3,150*

4. Employees

The average monthly number of employees, including directors, during the year was 5 *(2021 - 5)*.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. Intangible assets

Group and Society

	Goodwill £
Cost	
At 1 April 2021	**283,376**
At 31 March 2022	**283,376**
Amortisation	
At 1 April 2021	**59,505**
Charge for the year on owned assets	**11,335**
At 31 March 2022	**70,840**
Net book value	
At 31 March 2022	**212,536**
At 31 March 2021	*223,871*

6. Tangible fixed assets

Group

	Plant and machinery £
Cost or valuation	
At 1 April 2021	5,241,927
At 31 March 2022	5,241,927
Depreciation	
At 1 April 2021	1,173,788
Charge for the year	242,353
At 31 March 2022	1,416,141
Net book value	
At 31 March 2022	3,825,786
At 31 March 2021	*4,068,139*

7. Fixed asset investments

Group

	Other fixed asset investments £
Cost or valuation	
At 1 April 2021	60,001
At 31 March 2022	60,001

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Fixed asset investments (continued)

Society

	Investments in subsidiary companies £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 April 2021	**283,476**	**60,001**	**343,477**
At 31 March 2022	**283,476**	**60,001**	**343,477**

Subsidiary undertaking

The following was a subsidiary undertaking of the Society:

Name	Registered office	Class of shares	Holding
CHELWOOD SOLAR LIMITED	W106 Vox Studios1-45 Durham StreetVauxhallLondonSE 11 5JH	Ordinary	100%

8. Debtors

	Group 2022 £	*Group 2021 £*	Society 2022 £	*Society 2021 £*
Trade debtors	**42,309**	*64,603*	**-**	*-*
Amounts owed by group undertakings	**-**	*-*	**907,051**	*1,188,360*
Other debtors	**1,098**	*8,905*	**844**	*915*
Prepayments and accrued income	**268,751**	*272,037*	**3,408**	*3,871*
	312,158	*345,545*	**911,303**	*1,193,146*

Prepayments include £154,785 in respect of prepaid finance and refinance fees (2021- £168,040).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. Cash and cash equivalents

	Group 2022 £	*Group 2021 £*	**Society 2022 £**	*Society 2021 £*
Cash at bank and in hand	**483,083**	*405,681*	**172,057**	*78,668*
	483,083	*405,681*	**172,057**	*78,668*

10. Creditors: Amounts falling due within one year

	Group 2022 £	*Group 2021 £*	**Society 2022 £**	*Society 2021 £*
Bank loans	**153,771**	*147,985*	**-**	-
Trade creditors	**11,456**	*1,323*	**177**	-
Accruals and deferred income	**16,614**	*17,158*	**1,091**	*1,361*
	181,841	*166,466*	**1,268**	*1,361*

The bank loans are secured by fixed and floating charges over the company's assets.

11. Creditors: Amounts falling due after more than one year

	Group 2022 £	*Group 2021 £*
Bank loans	**2,784,373**	*2,938,144*
	2,784,373	*2,938,144*

The bank loans are secured by fixed and floating charges over the company's assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Loans

	Group 2022 £	*Group 2021 £*
Amounts falling due within one year		
Bank loans	**153,771**	*147,985*
	153,771	*147,985*
Amounts falling due 1-2 years		
Bank loans	**39,373**	*153,771*
	39,373	*153,771*
Amounts falling due 2-5 years		
Bank loans	**818,374**	*627,212*
	818,374	*627,212*
Amounts falling due after more than 5 years		
Bank loans	**1,926,626**	*2,157,161*
	1,926,626	*2,157,161*
	2,938,144	*3,086,129*

CONSOLIDATED DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Turnover		**648,499**	*670,130*
Cost Of Sales		**(7,189)**	*(5,850)*
Gross profit		**641,310**	*664,280*
Gross profit %		**98.9 %**	*99.1 %*
Less: overheads			
Administration expenses		**(323,239)**	*(305,708)*
Establishment expenses		**(101,459)**	*(102,563)*
Operating profit		**216,612**	*256,009*
Interest receivable		**277**	*667*
Interest payable		**(277,166)**	*(280,982)*
Loss for the year		**(60,277)**	*(24,306)*

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
Turnover		
Feed in tariff	**352,664**	*372,932*
Energy export income	**294,050**	*293,845*
Claims	**-**	*2,000*
REGO	**1,785**	*1,353*
	648,499	*670,130*

	2022	2021
	£	£
Cost of sales		
Direct costs	**1,793**	*1,786*
Light, heat and power	**5,396**	*4,064*
	7,189	*5,850*

	2022	2021
	£	£
Administration expenses		
Consultancy	**300**	*850*
Computer costs	**2,872**	*74*
Trade subscriptions	**293**	*275*
Community fund	**10,000**	*10,000*
Auditors' remuneration	**3,300**	*3,150*
Finance and re-finance fees	**16,205**	*16,139*
Sundry expenses	**4,440**	*6,741*
Management fees	**32,141**	*29,515*
Depreciation - plant and machinery	**242,353**	*227,629*
Amortisation - goodwill	**11,335**	*11,335*
	323,239	*305,708*

	2022	2021
	£	£
Establishment		
Rent	**29,961**	*28,574*
Rates	**11,602**	*11,602*
Insurance	**9,463**	*9,359*
Repairs and maintenance	**50,433**	*53,028*
	101,459	*102,563*

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

	2022	*2021*
	£	*£*
Interest receivable		
Bank interest receivable	**277**	*667*
	277	*667*

	2022	*2021*
	£	*£*
Interest payable		
Bank loan interest payable	**122,376**	*127,963*
Interest payable on shares	**154,790**	*153,019*
	277,166	*280,982*