

**Report of the Directors and
Financial Statements
for the Year Ended 30 June 2018
for
Fintry Renewable Energy Enterprise**

DRAFT

Fintry Renewable Energy Enterprise

**Contents of the Financial Statements
for the Year Ended 30 June 2018**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	3
Income Statement	5
Balance Sheet	6
Notes to the Financial Statements	7
Detailed Income and Expenditure Account	10

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Fintry Renewable Energy Enterprise

**Company Information
for the Year Ended 30 June 2018**

DIRECTORS: G K Cowtan
D Howell

SECRETARY: D Howell

REGISTERED OFFICE: Fintry Sports & Recreation Club
Kippen Road
Fintry
Glasgow
G63 0YA

REGISTERED NUMBER: SC285958 (Scotland)

AUDITORS: Henderson & Company
73 Union Street
Greenock
Renfrewshire
PA16 8BG

Fintry Renewable Energy Enterprise

**Report of the Directors
for the Year Ended 30 June 2018**

The directors present their report with the financial statements of the company for the year ended 30 June 2018.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2017 to the date of this report.

G K Cowtan
D Howell

Other changes in directors holding office are as follows:

G Murray - resigned 6 December 2017

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Henderson & Company, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

.....
G K Cowtan - Director

Date:

Report of the Independent Auditors to the Members of Fintry Renewable Energy Enterprise

Opinion

We have audited the financial statements of Fintry Renewable Energy Enterprise (the 'company') for the year ended 30 June 2018 which comprise the Income Statement, 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 30 June 2018 and of its deficit 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.

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 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Fintry Renewable Energy Enterprise

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 Report of the Directors.

We have nothing to report in respect of the following matters where 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' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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.

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 a Report of the Auditors 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 Report of the Auditors.

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 a Report of the Auditors 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.

John Henderson (Senior Statutory Auditor)
for and on behalf of Henderson & Company
73 Union Street
Greenock
Renfrewshire
PA16 8BG

Date:

Fintry Renewable Energy Enterprise

**Income Statement
for the Year Ended 30 June 2018**

	Notes	2018 £	2017 £
TURNOVER		503,138	424,108
Cost of sales		<u>136,398</u>	<u>127,959</u>
GROSS SURPLUS		366,740	296,149
Administrative expenses		<u>281,062</u>	<u>264,397</u>
OPERATING SURPLUS	3	85,678	31,752
Interest receivable and similar income		<u>-</u>	<u>37</u>
		85,678	31,789
Interest payable and similar expenses		<u>107,268</u>	<u>122,430</u>
DEFICIT BEFORE TAXATION		(21,590)	(90,641)
Tax on deficit		<u>-</u>	<u>-</u>
DEFICIT FOR THE FINANCIAL YEAR		<u><u>(21,590)</u></u>	<u><u>(90,641)</u></u>

The notes form part of these financial statements

Fintry Renewable Energy Enterprise (Registered number: SC285958)

**Balance Sheet
30 June 2018**

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Intangible assets	4		1,118,962		1,304,017
CURRENT ASSETS					
Debtors	5	117,175		101,316	
Cash at bank		5,040		82,035	
			<u>122,215</u>		<u>183,351</u>
CREDITORS					
Amounts falling due within one year	6	252,006		280,508	
NET CURRENT LIABILITIES			<u>(129,791)</u>		<u>(97,157)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			989,171		1,206,860
CREDITORS					
Amounts falling due after more than one year	7		922,862		1,118,961
NET ASSETS			<u>66,309</u>		<u>87,899</u>
RESERVES					
Income and expenditure account			66,309		87,899
			<u>66,309</u>		<u>87,899</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on and were signed on its behalf by:

.....
D Howell - Director

Fintry Renewable Energy Enterprise

Notes to the Financial Statements for the Year Ended 30 June 2018

1. STATUTORY INFORMATION

Fintry Renewable Energy Enterprise is a private company, limited by guarantee, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Intangible assets

The rights to the income on the wind turbine were capitalised on acquisition and are written off in line with the capital repayment over the term of the contract which is 15 years.

Taxation

The tax expense for the year comprises current and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount for deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current or deferred tax for the year is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Fintry Renewable Energy Enterprise

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2018**

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position bank overdrafts are shown within borrowings in current liabilities.

Debtors

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

Creditors

Basic financial instruments, including preference shares that are classified as debt, are measured at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is initially measured at fair value and subsequently at amortised cost using the effective interest method.

3. OPERATING SURPLUS

The operating surplus is stated after charging:

	2018 £	2017 £
Goodwill amortisation	<u>185,055</u>	<u>162,087</u>

4. INTANGIBLE FIXED ASSETS

COST

At 1 July 2017
and 30 June 2018

Goodwill
£

2,529,448

AMORTISATION

At 1 July 2017
Charge for year

1,225,431
185,055

At 30 June 2018

1,410,486

NET BOOK VALUE

At 30 June 2018

1,118,962

At 30 June 2017

1,304,017

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	117,006	101,263
Amounts owed by group undertakings	53	53
Other debtors	116	-
	<u>117,175</u>	<u>101,316</u>

Fintry Renewable Energy Enterprise

Notes to the Financial Statements - continued for the Year Ended 30 June 2018

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Taxation and social security	-	34,530
Other creditors	252,006	245,978
	<u>252,006</u>	<u>280,508</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Other creditors	922,862	1,118,961
	<u>922,862</u>	<u>1,118,961</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Other Creditors	369,000	430,500
	<u>369,000</u>	<u>430,500</u>

The company has granted a security in favour of Scottish Enterprise.

9. RELATED PARTY DISCLOSURES

The company is a wholly owned subsidiary of Fintry Development Trust. During the year ended 30 June 2018 the company made a donation of £95,000 (2017 - £100,000) to Fintry Development Trust.

At 30 June 2018 there was an amount due from Fintry Development Trust of £53 (2017 - £53).

10. ULTIMATE CONTROLLING PARTY

The company is controlled by Fintry Development Trust as the sole member. Fintry Development Trust is a private limited company limited by guarantee and incorporated in Scotland. Its registered office is Fintry Sports and Recreation Club, Kippen Road, Fintry, G63 0YA.

Fintry Renewable Energy Enterprise

**Detailed Income and Expenditure Account
for the Year Ended 30 June 2018**

	2018		2017	
	£	£	£	£
Sales		503,138		424,108
Cost of sales				
Purchases		136,398		127,959
GROSS SURPLUS		<u>366,740</u>		<u>296,149</u>
Other income				
Deposit account interest		-		37
		<u>366,740</u>		<u>296,186</u>
Expenditure				
Membership fees	290		280	
Professional fees	180		1,530	
Accountancy Fees	500		500	
Donations	95,000		100,000	
		<u>95,970</u>		<u>102,310</u>
		<u>270,770</u>		<u>193,876</u>
Finance costs				
Bank charges	37		-	
Loan	107,268		122,430	
		<u>107,305</u>		<u>122,430</u>
		163,465		71,446
Depreciation				
Goodwill		185,055		162,087
NET DEFICIT		<u><u>(21,590)</u></u>		<u><u>(90,641)</u></u>