Industrial and Provident Society
Society Number
IP30335R

**Torrs Hydro (New Mills) Ltd** 

# Registered Under the Industrial and Provident Societies Act 1965

Report and Accounts
30 September 2011

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## Torrs Hydro (New Mills) Ltd Society Information

#### **Directors**

Richard Body Mary Cohen Maggie Cole Esther Dennis-Jones Will Griffin Paul Hopewell Sean Whewell

## Secretary

Jan Szechi

#### **Accountants**

BoC Accounts 90 Market St New Mills High Peak SK22 4AA

## **Registered office**

90 Market St New Mills High Peak SK22 4AA

## Registered number

IP30335R

## Torrs Hydro (New Mills) Ltd Directors' Report

The directors present their report and accounts for the year ended 30 September 2011.

#### Statement of Directors' Responsibilities

The directors are required by law to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the society. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis

The directors' are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and to enable it to ensure that the financial statements comply with the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Principal activities**

The society's principal activity during this period of trading was the production of electricity from a hydro-electric scheme.

#### Results of the period

The operating loss is caused by much lower than anticipated electricity generation due to exceptionally dry weather conditions for the second year running. Costs were kept low, but the income suffered from the drought. February saw a flood event that left large deposits of shale around the scheme and damage to the sluice gate. This lead to an insurance claim for the repairs, clearing the inlet and outlet and loss of income.

The scheme continues to run subject to a restriction on generation only possibly over 19KW which impacts the power generation. A solution has been approved by the board and plans are being finalised to be implemented in the summer of 2012.

#### **Development and activities**

The Society is registered with the Financial Services Authority under the Industrial and Provident Societies Act 1965. The Society is a not for profit organisation and any surpluses held by the society shall, at the discretion of the directors be given out in the form of grants to the local community for purposes compatible with the objectives of the society.

## Torrs Hydro (New Mills) Ltd Directors' Report

#### **Directors**

The following persons served as directors during the year:

Richard Body
Mary Cohen
Maggie Cole
Esther Dennis-Jones
Will Griffin

Paul Hopewell Sean Whewell

This report was approved by the board on 8 January 2012.

Richard Body Director

## Torrs Hydro (New Mills) Ltd Income and Expenditure Account for the year ended 30 September 2011

|   | Notes | 2011              | 2010<br>Restated |
|---|-------|-------------------|------------------|
|   |       | £                 | £                |
| Income  |       | 12,124            | 23,743           |
| Cost of sales   |       | (1,493)           | (1,449)          |
| Gross profit  |       | 10,631            | 22,294           |
| Total administrative expenses<br>Other operating income |       | (13,958)<br>3,337 | (18,629)         |
| Operating profit  | 2     | 10                | 3,665            |
| Interest receivable<br>Interest payable                 | 3     | 11<br>(3,782)     | 11<br>(4,358)    |
| Loss on ordinary activities before taxation             |       | (3,761)           | (682)            |
| Tax on loss on ordinary activities                      |       | -                 | -                |
| Loss for the financial year                             |       | (3,761)           | (682)            |

## Torrs Hydro (New Mills) Ltd Balance Sheet as at 30 September 2011

|  | Notes          |                           | 2011<br>£           |                                  | 2010<br>£           |
|--|----------------|---------------------------|---------------------|----------------------------------|---------------------|
| Fixed assets Tangible assets   | 4              |                           | 253,554             |                                  | 260,661             |
| Current assets Stocks Debtors Cash at bank and in hand               | 5 -            | 12,983<br>9,564<br>22,547 |                     | 765<br>8,756<br>19,810<br>29,331 |                     |
| Creditors: amounts falling du within one year                        | <b>је</b><br>6 | (15,526)                  |                     | (16,158)                         |                     |
| Net current assets   | _              |                           | 7,021               |                                  | 13,173              |
| Total assets less current liabilities                                |                | _                         | 260,575             | _                                | 273,834             |
| Creditors: amounts falling du after one year                         | <b>Je</b><br>7 |                           | (47,307)            |                                  | (53,057)            |
| Deferred income  | 8              |                           | (134,938)           |                                  | (138,686)           |
| Net assets   |                | _<br>_                    | 78,330              | -<br>-                           | 82,091              |
| Capital and reserves Called up share capital Profit and loss account | 9<br>10        |                           | 125,801<br>(47,471) |                                  | 125,801<br>(43,710) |
| Shareholders' funds  |                | <u> </u>                  | 78,330              | -                                | 82,091              |

Approved by the board on 8 January 2012 and signed on its behalf by:

Jan Szechi Richard Body Secretary Director

## Torrs Hydro (New Mills) Ltd Notes to the Accounts for the year ended 30 September 2011

#### 1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### **Turnover**

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

### Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery 2.5% straight line Equipment 20% reducing balance

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

#### Loan setup fees

The legal fees incurred due to the set up of the loan are being written off on a straight line basis over 10 years which is the life time of the loan.

#### Grants

In accordance with SSAP 4 grants received against capital expenditure are treated as deferred income and amortised over the life of the assets to which they relate.

| 2 | Operating profit                   | 2011<br>£ | 2010<br>£ |
|---|------------------------------------|-----------|-----------|
|   | This is stated after charging:     | ~         | ~         |
|   | Depreciation of owned fixed assets | 7,107     | 7,125     |
| 3 | Interest payable                   | 2011<br>£ | 2010<br>£ |
|   | Interest payable                   | 3,782     | 4,358     |

## Torrs Hydro (New Mills) Ltd Notes to the Accounts for the year ended 30 September 2011

| 4 | Tangible fixed assets  | Plant and        |                |                |
|---|--|------------------|----------------|----------------|
|   |  | machinery<br>etc | Equipment      | Total          |
|   |  | £                | £              | £              |
|   | Cost<br>At 1 October 2010  | 281,404          | 565            | 281,969        |
|   | At 30 September 2011   | 281,404          | 565            | 281,969        |
|   | 7.6.00 000,000,000 2011  | 201,101          |                | 201,000        |
|   | Depreciation   |                  |                |                |
|   | At 1 October 2010  | 21,105           | 203            | 21,308         |
|   | Charge for the year  | 7,035            | 72             | 7,107          |
|   | At 30 September 2011   | 28,140           | 275            | 28,415         |
|   | Net book value<br>At 30 September 2011   | 253,264          | 290            | 253,554        |
|   | ·  | ,                |                |                |
|   | At 30 September 2010   | 260,299          | 362            | 260,661        |
|   |  |                  |                |                |
| 5 | Debtors  |                  | 2011           | 2010           |
|   |  |                  | £              | £              |
|   | Trade debtors  |                  | -              | 1,163          |
|   | Prepayments  |                  | 9,913          | 7,593          |
|   | Other taxes and social security costs  |                  | 1,343          | -              |
|   | Other debtors  |                  | 1,727          |                |
|   |  |                  | 12,983         | 8,756          |
|   |  |                  |                |                |
| 6 | Creditors: amounts falling due within one year   |                  | 2011           | 2010           |
|   | ,  |                  | £              | £              |
|   | Bank loans and overdrafts  |                  | 7,000          | 7,000          |
|   | Trade creditors  |                  | 7,000<br>7,910 | 7,000<br>8,014 |
|   | Other taxes and social security costs  |                  | -              | 562            |
|   | Other creditors  |                  | 616            | 582            |
|   |  |                  | 15,526         | 16,158         |
|   |  |                  |                | _              |
| 7 | Creditors: amounts falling due after one year  |                  | 2011           | 2010           |
| - | the second secon |                  | £              | £              |
|   | Bank loans   |                  | 47,307         | 53,057         |

## Torrs Hydro (New Mills) Ltd Notes to the Accounts for the year ended 30 September 2011

| 8  | Deferred Income   |            |            | 2011                | 2010      |
|----|---|------------|------------|---------------------|-----------|
|    | Deferred income   |            |            | 134,938             | 138,686   |
|    |   |            |            | £                   | £         |
|    | Consisting of: Opening deferred income                            |            |            | 138,686             | 142,434   |
|    | Income released during the period                                 |            |            | 3,748               | 3,748     |
|    | Deferred as at 30th September                                     |            |            | 134,938             | 138,686   |
| 9  | Share capital   |            |            | 2011<br>£           | 2010<br>£ |
|    | Authorised:   |            |            | Ĺ                   | £         |
|    | Ordinary shares of £1 each  |            |            | 126,000             | 126,000   |
|    |   | 2011<br>No | 2010<br>No | 2011<br>£           | 2010<br>£ |
|    | Allotted, called up and fully paid:<br>Ordinary shares of £1 each | 125,801    | 125,801    | 125,801             | 125,801   |
|    |   |            |            |                     |           |
| 10 | Profit and loss account   |            |            | 2011<br>£           |           |
|    | At 1 October<br>Loss for the year                                 |            |            | (43,710)<br>(3,761) |           |
|    | At 30 September 2011  |            |            | (47,471)            |           |

## 11 Restatement of comparative figures

Costs of £349 incurred in the year ended 30 September 2010 relating to the provision of public education have been reclassified from Total administrative expenses to Cost of sales.

## Torrs Hydro (New Mills) Ltd Income and Expenditure Account for the year ended 30 September 2011

|  | 2011<br>£         | 2010<br>£     |
|--|-------------------|---------------|
| Income   | 12,124            | 23,743        |
| Cost of sales                                  | (1,493)           | (1,449)       |
| Gross profit                                   | 10,631            | 22,294        |
| Administrative expenses Other operating income | (13,958)<br>3,337 | (18,629)      |
| Operating profit                               | 10                | 3,665         |
| Interest receivable<br>Interest payable        | 11<br>(3,782)     | 11<br>(4,358) |
| Loss before tax                                | (3,761)           | (682)         |

## Torrs Hydro (New Mills) Ltd Schedule to the Income and Expenditure Account for the year ended 30 September 2011

|   | 2011  | 2010<br>Restated   |
|---|---|--|
| Innoven   | £   | £  |
| Income Sales Deferred income ROCS Tours and education Signage project Donations | 4,208<br>3,748<br>3,285<br>75<br>-<br>808<br>12,124 | 8,356<br>3,748<br>6,525<br>1,015<br>3,360<br>739<br>23,743 |
| Cost of sales   |   |  |
| Commissions payable 11 Education  | 1,400<br>93   | 1,100<br>349   |
|   | 1,493   | 1,449  |
| Volunteer expenses  |   |  |
| Volunteer training and welfare Travel and subsistence                           | 40<br>2   | 85<br>-  |
| Premises costs:   | 42  | 85   |
| Rent Rates  | 598<br>(337)  | 122<br>704   |
| General administrative expenses:  | 261   | 826  |
| Telephone and fax Postage Stationery and printing                               | 10<br>2   | 53<br>74<br>23   |
| Subscriptions<br>Insurance  | 306<br>3,632  | 300<br>4,743   |
| Equipment expensed Repairs and maintenance                                      | 72<br>1,490   | 1,604  |
| Signage project costs Depreciation AGM costs                                    | 7,107<br>142  | 2,999<br>6,879<br>50                                       |
| Sundry expenses   | 19  |  |
| Legal and professional costs:   | 12,780  | 16,725   |
| Other legal and professional  | 875<br>875  | 993<br>993   |
|   | 13,958  | 18,629   |
| Other operating income  |   |  |
| Insurance   | 3,337   |  |