

Company Registration No. 2655RS (England and Wales)

**BOYNDIE WIND FARM CO-OPERATIVE LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

# BOYNDIE WIND FARM CO-OPERATIVE LIMITED

## COMPANY INFORMATION

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**Directors**

Mr J Balharry  
Mr D Leece  
Mr R Maddock  
Mr D Richard-Jones  
Mr C Ewen (Appointed 12 January 2012)  
Mr M Pitman  
Mr C McKay (Appointed 23 May 2012)  
Mrs B Holligan

**Secretary** Mrs A Heslop

**Company number** 2655RS

**Registered office**

Robert Owen House  
87 Bath Street  
Glasgow  
G2 2EE

**Auditors**

Melville & Co.  
18 Trinity Enterprise Centre  
Furness Business Park  
Barrow-in-Furness  
Cumbria  
LA14 2PN

**Bankers**

Co-operative Bank plc  
1 Balloon Street  
Manchester  
M60 4EP

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# BOYNDIE WIND FARM CO-OPERATIVE LIMITED

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# BOYNDIE WIND FARM CO-OPERATIVE LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2012

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The directors present their report and financial statements for the year ended 31 December 2012.

#### Principal activities

The principal activity of the Co-operative continued to be that of the generation and supply of electricity from renewable sources.

#### Directors

The following directors have held office since 1 January 2012:

Mr J Balharry

Mr D Leece

Mr M Copic (Resigned 23 May 2012)

Mr R Maddock

Mr D Richard-Jones

Mr C Ewen (Appointed 12 January 2012)

Mr M Pitman

Mr C McKay (Appointed 23 May 2012)

Mrs B Holligan

In accordance with the Co-operative's Rules of Association, Mr D Leece and Mrs B Holligan retire by rotation and, being eligible, offer themselves for re-election.

#### Auditors

In accordance with the Co-operative's rules of association, a resolution proposing that Melville & Co. be reappointed as auditors of the Co-operative will be put at the Annual General Meeting.

#### Statement of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Rules of the Co-operative require the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Co-operative and of the profit or loss of the Co-operative for that period. 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 the going concern basis unless it is inappropriate to presume that the Co-operative will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Co-operative and enable them to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1965-2002. They are also responsible for safeguarding the assets of the Co-operative and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Financial Reporting Standard for Smaller Entities.

By order of the board

.....

Mrs A Heslop

**Secretary**

Dated

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# **BOYNDIE WIND FARM CO-OPERATIVE LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF BOYNDIE WIND FARM CO-OPERATIVE LIMITED**

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We have audited the financial statements of Boyndie Wind Farm Co-operative Limited for the year ended 31 December 2012 set out on pages 4 to 8. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Co-operative's members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the Co-operative'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 Co-operative and the Co-operative's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

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. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Co-operative's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Co-operative's affairs as at 31 December 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002.

# **BOYNDIE WIND FARM CO-OPERATIVE LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF BOYNDIE WIND FARM CO-OPERATIVE LIMITED**

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

We have nothing to report in respect of the following matters where the Friendly and Industrial and Provident Societies Acts 1965 to 2002 require us to report to you if, in our opinion:

- proper books of account have not been kept in accordance with the requirements of the legislation; or
- a satisfactory system of control over transactions has not been maintained by the Co-operative in accordance with the requirements of the legislation; or
- the profit and loss account to which our report relates, and the balance sheet are not in agreement with the books of account of the Co-operative ; or
- we have not received all the information and explanations we require for our audit.

.....  
**Melville & Co**

**Chartered Accountants**  
**Statutory Auditor**

18 Trinity Enterprise Centre  
Furness Business Park  
Barrow-in-Furness  
Cumbria  
LA14 2PN

# BOYNDIE WIND FARM CO-OPERATIVE LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

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	Notes	2012 £	2011 £
Turnover		145,691	175,415
Cost of sales		(25,413)	(29,773)
<b>Gross profit</b>		120,278	145,642
Administrative expenses		(57,244)	(59,946)
<b>Operating profit</b>	<b>2</b>	63,034	85,696
Other interest receivable and similar income	<b>3</b>	5,171	2,878
<b>Profit on ordinary activities before taxation</b>		68,205	88,574
Tax on profit on ordinary activities	<b>4</b>	-	-
<b>Profit for the year</b>		68,205	88,574

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# BOYNDIE WIND FARM CO-OPERATIVE LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	2012		2011	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	6		627,072		662,567
Investments	7		1		1
			<u>627,073</u>		<u>662,568</u>
<b>Current assets</b>					
Debtors	8	57,630		70,570	
Cash at bank and in hand		292,497		274,979	
		<u>350,127</u>		<u>345,549</u>	
<b>Creditors: amounts falling due within one year</b>	9	(95,460)		(126,377)	
<b>Net current assets</b>			<u>254,667</u>		<u>219,172</u>
<b>Total assets less current liabilities</b>			<u>881,740</u>		<u>881,740</u>
<b>Capital and reserves</b>					
Called up share capital	10		881,740		881,740
<b>Shareholders' funds</b>			<u>881,740</u>		<u>881,740</u>

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on .....

.....  
Mr D Leece  
Director

.....  
Mr R Maddock  
Director



# BOYNDIE WIND FARM CO-OPERATIVE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable from the royalty instrument for the Co-operative's share of electricity generated (including environmental attributes) from the Boyndie Airfield Wind Farm site.

#### 1.4 Royalty instrument

The royalty instrument is valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal instalments over 24 years from the date of commencement of generation of electricity from the site in September 2006. The supplementary royalty instrument which extends the original agreement to cover an additional turbine is amortised over 20 years and 5 months to give the same date for final write down.

#### 1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

<b>2 Operating profit</b>	<b>2012</b>	<b>2011</b>
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	35,495	35,495
Auditors' remuneration	740	710
Directors' remuneration	4,000	4,000
	<u>          </u>	<u>          </u>
<b>3 Investment income</b>	<b>2012</b>	<b>2011</b>
	£	£
Bank interest	5,171	2,878
	<u>          </u>	<u>          </u>
	<u>5,171</u>	<u>2,878</u>
<b>4 Taxation</b>	<b>2012</b>	<b>2011</b>
<b>Current tax charge</b>	-	-
	<u>          </u>	<u>          </u>

The Co-operative intends to distribute its available profits as members share interest which is an allowable deduction against taxable profits. Members share interest should cover the full taxable profit and therefore no corporation tax arises.

# BOYNDIE WIND FARM CO-OPERATIVE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

<b>5</b>	<b>Members share interest</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Members share interest	68,205	88,574
		<u>          </u>	<u>          </u>

<b>6</b>	<b>Intangible fixed assets</b>		<b>Other intangible assets £</b>
	<b>Cost</b>		
	At 1 January 2012 & at 31 December 2012		825,590
			<u>          </u>
	<b>Amortisation</b>		
	At 1 January 2012		163,023
	Charge for the year		35,495
			<u>          </u>
	At 31 December 2012		198,518
			<u>          </u>
	<b>Net book value</b>		
	At 31 December 2012		627,072
			<u>          </u>
	At 31 December 2011		662,567
			<u>          </u>

The intangible asset represents the acquisition of a royalty instrument entitling the Co-operative to a share of the revenues less an allocation of operating costs for electricity generated from the Boyndie Airfield Wind Farm site.

<b>7</b>	<b>Fixed asset investments</b>		<b>Unlisted investments £</b>
	<b>Cost</b>		
	At 1 January 2012 & at 31 December 2012		1
			<u>          </u>
	<b>Net book value</b>		
	At 31 December 2012		1
			<u>          </u>
	At 31 December 2011		1
			<u>          </u>

The fixed asset investment represents the company's £1 holding in Energy4All Limited, the company which provides management services to the Co-operative (see note 12).

# BOYNDIE WIND FARM CO-OPERATIVE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

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<b>8 Debtors</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Other debtors	57,630	70,570
	<u>          </u>	<u>          </u>
<b>9 Creditors: amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Trade creditors	8,782	12,451
Taxation and social security	8,725	14,896
Other creditors	77,953	99,030
	<u>          </u>	<u>          </u>
	95,460	126,377
	<u>          </u>	<u>          </u>
Other creditors include £69,803 (2011 - £89,819) members share interest due.		
<b>10 Share capital</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
881,740 Ordinary shares of £1 each	881,740	881,740
	<u>          </u>	<u>          </u>

### 11 Control

There is no controlling interest in the Co-operative.

### 12 Related party transactions

The management services of the Co-operative are carried out by Energy4All Limited, a company which specialises in assisting in the setting up, development and management of renewable energy co-operatives. Boyndie Wind Farm Co-operative Limited holds one share in this company. One of the Co-operative's directors, Mr D Richard-Jones is a representative of Energy4All Limited and does not need to retire by rotation. Energy4All Limited has charged administration fees of £14,602 for the year.