

Company Registration No. (Northern Ireland)

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Dawson & Company Limited
Chartered Accountants
Telephone (028) 9024 5217

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

COMPANY INFORMATION

Directors	Cye Bannon Douglas McIlldoon Karen Arbuckle Pat McCarney Andy Frew
Secretary	Tiziana O'Hara
Company number	IP000413
Business address	Unit 40 North City Business Centre Duncairn Gardens BT15 2GG
Accountants	Dawson & Company Limited 171 University Street Belfast BT7 1HR
Bankers	Unity Trust Bank Plc Nine Brindleyplace Birmingham B1 2HB

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their annual report and financial statements for the year ended 31 March 2020.

Principal activities

The principal activity of the company continued to be that of the production of community-owned energy

Directors

The directors who held office during the year and up to the date of signature of the financial statements was as follows:

Cye Bannon
Douglas McIlldoon
Karen Arbuckle
Andy Frew
Pat McCarney

Statement of director's responsibilities

The directors are responsible for preparing the annual 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 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 profit or loss 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

On behalf of the board

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Date:

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
Turnover		29,650	37,787
Administrative expenses		(18,259)	(13,977)
Other operating income		577	577
Operating profit	3	<u>11,968</u>	<u>24,387</u>
Interest payable and similar expenses	4	(6,222)	(6,901)
Profit before taxation		<u>5,746</u>	<u>17,486</u>
Tax on profit		-	-
Profit for the financial year		<u><u>5,746</u></u>	<u><u>17,486</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	5		154,802		165,183
Current assets					
Debtors	6	25,457		35,491	
Cash at bank and in hand		9,530		8,955	
		<u>34,987</u>		<u>44,446</u>	
Creditors: amounts falling due within one year	7	<u>(10,385)</u>		<u>(8,303)</u>	
Net current assets			24,602		36,143
Total assets less current liabilities			179,404		201,326
Creditors: amounts falling due after more than one year	8		(9,236)		(9,813)
Net assets			<u>170,168</u>		<u>191,513</u>
Capital and reserves					
Called up share capital			131,595		158,686
Profit and loss reserves			38,573		32,827
Total equity			<u>170,168</u>		<u>191,513</u>

These financial statements have been prepared in accordance with the Co-Operative and Community Benefit Societies Act (Northern Ireland) 2016 and with the Financial Reporting Standard 102 (effective January 2015). In accordance with section 38A(1) of the Act, and the consent of the members given in accordance with regulation 112 of the Society's rules, we confirm there is no requirement for these statements to be audited.

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Director	Director	Date
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Society Registration No. IP000413

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2018		158,686	15,341	174,027
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	17,486	17,486
Balance at 31 March 2019		<u>158,686</u>	<u>32,827</u>	<u>191,513</u>
Year ended 31 March 2020:				
Profit and total comprehensive income for the year		-	5,746	5,746
Redemption of shares		(26,929)	-	(26,929)
Reduction of shares		(162)	-	(162)
Balance at 31 March 2020		<u><u>131,595</u></u>	<u><u>38,573</u></u>	<u><u>170,168</u></u>

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Northern Ireland Community Energy (NICE) Limited is a private company limited by shares incorporated in Northern Ireland. The principal place of business is Unit 40, North City Business Centre, Duncairn Gardens, BT15 2GG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the company's ability to continue as a going concern. COVID-19 has affected the company's income negatively through inability to bill customers promptly and continues to cast doubt on the future of all businesses.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	Over 20 years using the 'units of production' method, assuming 0.7% performance degradation per annum
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Operating profit

	2020	2019
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	(577)	(577)
Depreciation of owned tangible fixed assets	10,381	10,454
	<u> </u>	<u> </u>

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Interest payable and similar expenses

	2020	2019
	£	£
Other finance costs:		
Other interest	6,222	6,901

5 Tangible fixed assets

	Plant and equipment £
Cost	
At 1 April 2019 and 31 March 2020	175,637
Depreciation and impairment	
At 1 April 2019	10,454
Depreciation charged in the year	10,381
At 31 March 2020	20,835
Carrying amount	
At 31 March 2020	154,802
At 31 March 2019	165,183

6 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	2,384	673
Other debtors	538	78
Prepayments and accrued income	22,535	34,740
	25,457	35,491

7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Taxation and social security	124	326
Other creditors	6,581	7,100
Accruals and deferred income	3,680	877
	10,385	8,303

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Creditors: amounts falling due after more than one year	Notes	2020 £	2019 £
Government grants		9,236 <u> </u>	9,813 <u> </u>

NORTHERN IRELAND COMMUNITY ENERGY (NICE) LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Turnover		
Sales	29,650	37,787
Other operating income		
Government grants receivable and released	577	577
Administrative expenses		
Volunteers Expenses	273	338
Meter Monitoring	326	584
Property repairs and maintenance	4,065	40
Premises insurance	609	901
Travelling expenses	292	-
Professional subscriptions	50	266
Bank charges	144	144
Website costs	(15)	-
Sundry expenses	2,134	1,250
Depreciation	10,381	10,454
	<u>(18,259)</u>	<u>(13,977)</u>
Operating profit	11,968	24,387
Interest payable and similar expenses		
Share Interest Payable	(6,222)	(6,901)
Profit before taxation	<u>5,746</u>	<u>17,486</u>
