

CHA Power Ltd
FINANCIAL STATEMENTS
for the year ended
31 March 2011

CHA Power Ltd

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

N Crilley
J P Hillhouse
M Shiach

SECRETARY

J P Hillhouse

REGISTERED OFFICE

77-83 Kilbowie Road
Clydebank
G81 1BL

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
Breckenridge House
274 Sauchiehall Street
Glasgow
G2 3EH

CHA Power Ltd

DIRECTORS' REPORT

The directors submit their report and financial statements of CHA Power Ltd for the year ended 31 March 2011.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of generating and supplying electricity and heat.

REVIEW OF THE BUSINESS

The Directors are pleased to present their report and audited financial statements for the year ended 31 March 2011.

The company is in its sixth year of a long-term agreement with Clydebank Housing Association (CHA) and continues to operate the combined heat and power plant supplying economic heat and electricity supplies to various tenants of the Association and neighbouring owners. This development gives customers a supply at a stable price and is efficient in the use of energy. Any excess electricity generated is sold on to the wider power market. The development is bringing benefit to the local community and has attracted interest in the development from within the United Kingdom and elsewhere.

The CHA Management Committee reviewed the heat and hot water charge for 2011/12 prior to the end of this financial year. In consideration of estimated projections for the year ahead and the 2010/11 operating results, the Management Committee decided not to increase the weekly costs to tenants. In doing this, CHA Power Ltd. continues to supply heat, hot water and electricity at a price below that being charged by other suppliers.

CHA Power Ltd. continues to be committed to provide heat, hot water and electricity to its customers' at the most competitive and affordable level possible.

DIRECTORS

The directors who served the company during the year were as follows:

N Crilley
J Mooney (resigned 01/06/2011)
J B Hearn (resigned 28/06/2010)
E Mackie (resigned 28/06/2010)
J P Hillhouse
D M Muir (appointed 28/06/2010, deceased January 2011)
M Shiach (appointed 29/06/2010)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

CHA Power Ltd

DIRECTORS' REPORT

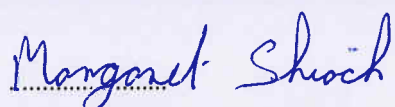
SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Margaret Shiach

Director



CHA Power Ltd

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' 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 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 profit or loss of the company for that period.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF CHA POWER LTD

We have audited the financial statements on pages 6 to 10. 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 company's member, 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 member 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 company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 4, 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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the ASB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and 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 prepared in accordance with the requirements of the Companies Act 2006.

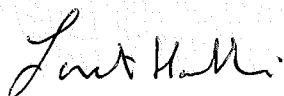
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 in preparing the directors' report.



JANET HAMBLIN (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Breckenridge House
274 Sauchiehall Street
Glasgow G2 3EH

29 September 2011

CHA Power Ltd
PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2011

	<i>Notes</i>	2011 £	2010 £
TURNOVER		226,476	169,144
Cost of sales		<u>189,059</u>	<u>182,366</u>
Gross profit/(loss)		37,417	(13,222)
Administrative expenses		<u>27,107</u>	<u>27,248</u>
OPERATING PROFIT/(LOSS)	1	10,310	(40,470)
Interest receivable		2,161	2,529
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>12,471</u>	<u>(37,941)</u>
Taxation	2	454	(466)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	7	<u>12,017</u>	<u>(37,475)</u>

CHA Power Ltd
BALANCE SHEET
 31 March 2011

	<i>Notes</i>	2011 £	2010 £
CURRENT ASSETS			
Debtors	3	35,514	18,824
Cash at bank and in hand		291,551	297,542
		<u>327,065</u>	<u>316,366</u>
CREDITORS			
Amounts falling due within one year	4	30,668	31,986
NET CURRENT ASSETS		<u>296,397</u>	<u>284,380</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>296,397</u>	<u>284,380</u>
CAPITAL AND RESERVES			
Called up share capital	6	2,328,850	2,328,850
Profit and loss account	7	(2,032,453)	(2,044,470)
SHAREHOLDER'S FUNDS		<u>296,397</u>	<u>284,380</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 6 to 10 were approved by the board of directors and authorised for issue on ~~21 June 2011~~ and are signed on their behalf by:



Margaret Shiach
 Director

CHA Power Ltd

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers and, in the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be ascertained with reasonable certainty.

FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

CHA Power Ltd

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2011

1 OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	2011	2010
	£	£
Auditor's fees	<u>2,972</u>	<u>3,730</u>

2 TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2011	2010
	£	£
Current tax:		
UK Corporation tax based on the results for the year	454	(446)
Over/under provision in prior year	-	(20)
Total current tax	<u>454</u>	<u>(466)</u>

3 DEBTORS

	2011	2010
	£	£
Trade debtors	3,497	3,484
Corporation tax repayable	-	446
VAT recoverable	96	872
Other debtors	<u>31,921</u>	<u>14,022</u>
	<u>35,514</u>	<u>18,824</u>

4 CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
Other creditors	30,214	31,986
Corporation tax	454	-
	<u>30,668</u>	<u>31,986</u>

5 RELATED PARTY TRANSACTIONS

Directors and their relatives are tenants of Clydebank Housing Association Limited and as a result have their energy provided by CHA Power Limited. All of the transactions between them and the Company have been carried out on the terms applicable to all tenants.

No further transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard for Smaller Entities.

6 SHARE CAPITAL

	2011	2010
	£	£
Allotted, called up and fully paid: 2,328,850 Ordinary shares of £1 each	<u>2,328,850</u>	<u>2,328,850</u>

CHA Power Ltd

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2011

7 PROFIT AND LOSS ACCOUNT

	2011	2010
	£	£
At the beginning of the year	(2,044,470)	(2,006,995)
Profit/(loss) for the financial year	<u>12,017</u>	<u>(37,475)</u>
At the end of the year	<u>(2,032,453)</u>	<u>(2,044,470)</u>

8 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Clydebank Housing Association. Clydebank Housing Association is an Industrial and Provident Society registered with the Financial Services Authority (Reg No 2191R(S)).

CHA Power Ltd
MANAGEMENT INFORMATION
for the year ended 31 March 2011

The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on page 5.

CHA Power Ltd
DETAILED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2011

	2011	2010
	£	£
TURNOVER	226,476	169,144
COST OF SALES		
Water	1,165	805
Gas	170,398	162,755
Top up electricity	3,223	6,180
Maintenance	14,053	12,417
Telephone	220	209
	<u>189,059</u>	<u>182,366</u>
Gross profit/(loss)	37,417	(13,222)
OVERHEADS		
Administrative expenses	27,107	27,248
OPERATING PROFIT/(LOSS)	<u>10,310</u>	<u>(40,470)</u>
Bank interest receivable	<u>2,161</u>	<u>2,529</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES	<u>12,471</u>	<u>(37,941)</u>

CHA Power Ltd

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2011

	2011	2010
	£	£
ADMINISTRATIVE EXPENSES		
General expenses		
Printing, stationery and postage	193	518
Sundry expenses	15	12
Administrative costs re-charged	14,710	13,930
Management charges payable	6,600	6,600
Auditors remuneration	<u>2,972</u>	<u>3,730</u>
	24,490	24,790
Financial costs		
Bank charges	<u>2,617</u>	<u>2,458</u>
	<u>27,107</u>	<u>27,248</u>
INTEREST RECEIVABLE		
Bank interest receivable	<u>2,161</u>	<u>2,529</u>