

Financial Statements

Harlaw Hydro

For the year ended 31 March 2026

Prepared by Framework Advisory

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Company Information

Harlaw Hydro

For the year ended 31 March 2026

Board of Management

Richard Blackburn (Chair)

Martin Petty

Gordon Grassick (Finance)

Alister Skinner

Andrew Clark

Ian Hynd

Michael Molleson

Simon Dormer

Lynn Molleson

Karen Scott (Balerno Village Trust appointment)

Emma Galloway (Balerno Village Trust appointment)

David Spacey (Balerno Village Trust appointment)

Company Number

2759RS (SP002759)

Website

www.harlawhydro.org.uk

Registered Office

Balerno Parish Church, 2 Main Street, BALERNO, Midlothian, GBR, EH14 7EH

Accountants

Gordon Mavor ACMA, **Frmwork Ltd**

7 South Charlotte Street, EDINBURGH, EH2 4AN

Directors' Report

Harlaw Hydro

For the year ended 31 March 2026

The directors present their report and the financial statements of the company for the period ended 31 March 2026

Review of business

Harlaw Hydro Limited is an Industrial Provident Society (IPS), setup for the benefit of the Community.

Objects

The Objects of the Society are to carry on any business for the benefit of the Community, including:

(a) Support the activities of Balerno Village Trust (registered number SC 369378) in its charitable activities, by donating a proportion of its annual revenue to Balerno Village Trust.

(b) To develop and operate a renewable energy project, or projects.

Further information about Harlaw Hydro Ltd and the generation of electricity is available at:

www.harlawhydro.org.uk

Application of Profits

Any profits of the Society shall be applied as follows in such proportions and in such manner as may be decided by the Society at the annual general meeting:

(a) To a general reserve for the continuation and development of the Society;

(b) To paying interest on issued share capital at such rate or rates as determined by the Board from time to time, but not exceeding 5% per annum or 2% above the Co-operative Bank's base rate, whichever is the greater;

(c) To making payments to the Balerno Village Trust (SC 369378) for use in accordance with its charitable objectives.

Directors' responsibilities

The company is entitled to exemption from audit under section 477 (2) of the Companies Act 2006 for the period ended 31 March 2026. No notice has been deposited under section 476 (2) in relation to its financial statements for the financial year. The directors acknowledge their responsibility for:

1. ensuring the company keeps accounting records which comply with section 386 of the Companies Act 2006; and,
2. preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2026 and of its profit for the financial year in accordance with the requirements of section 393 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, as far as applicable to the company.

Directors declaration

In accordance with the engagement letter, I approve the financial information which comprises the Profit and Loss account, the Balance Sheet and the related notes. I acknowledge my responsibility for the financial information, including the appropriateness of the applicable financial reporting framework as set out in the notes, and for providing Frmwork Ltd with all information and explanations necessary for their compilation.

Signed:

Date:

Gordon Grassick, Director

Accountants' Report

Harlaw Hydro

For the year ended 31 March 2026

I have examined the abbreviated accounts together with the full financial statements of Harlaw Hydro Limited for the period ended 31 March 2026. The scope of my work for the purpose of this report was limited to confirming that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from the full financial statements.

In my opinion the company is entitled, under section 444 of the Companies Act 2006, to deliver abbreviated accounts of the company in respect of the period ended 31 March 2026. I am not required to express an audit opinion on the truth and fairness of these abbreviated accounts.

As reporting accountant I reported to the members of the company in May 2026 on the accounts prepared under section 393 of the Companies Act 2006 for the period ended 31 March 2026. My opinion was as follows:

Accountants' Report to the members of Harlaw Hydro Limited

I report on the accounts for the period ended 31 March 2026 as set out on the following pages.

Respective responsibilities of directors and reporting accountant

As described in the directors' report the company's directors are responsible for the preparation of the accounts and they consider that the company is exempt from an audit. It is my responsibility to carry out procedures designed to enable me to report on my opinion.

Basis of opinion

My work was conducted in accordance with Statements of Standards for Reporting Accountants, and so my procedures consisted of comparing the accounts with the Accounting Records kept by the company and making such limited enquiries of the officers of the company as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

Opinion

In my opinion:-

1. the accounts are in agreement with the accounting records kept by the company under section 386 of the Companies Act 2006.
2. having regard only to, and on the basis of, the information contained in those accounting records:
 1. the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 477(1) of the Act: and
 2. the company satisfies the conditions for exemption from an audit of the accounts for the year specified in section 477(2) of the Act and did not at any time within the year, fall within the categories of companies not entitled to the exemption specified in section 478.

The Society have approved the financial information for the period ended 31 March 2026 and have acknowledged responsibility for it, for the appropriateness of the financial reporting framework adopted and for providing all information and explanations necessary for its compilation.

We have not verified the accuracy or completeness of the accounting records or information and explanations The Society have given to us and we do not, therefore, express any opinion on the financial accounts.

Signed:

Date:

Gordon Mavor ACMA, Reporting Accountant

Frmwork Ltd

Profit and Loss Account

Harlaw Hydro

For the year ended 31 March 2026

	NOTES	2026	2025
Turnover			
Electricity Generation	2	88,439	169,979
Gross Profit			
		88,439	169,979
Other Income			
Other Income		5,601	7,950
Expenses			
Administration Expenses		91,979	175,649
Net Profit (Loss)			
		2,061	2,280
Taxation and Adjustments			
Corporation Tax		1,064	1,463
Profit (loss) After Taxation			
		997	817

Turnover and profit all relates to continuing activities.

There are no recognised gains and losses in 2026 other than the profit for the period.

Balance Sheet

Harlaw Hydro As at 31 March 2026

	NOTES	2026	2025
Fixed Assets			
Tangible Assets	3	177,450	182,137
Investments	4	154,314	84,000
Current Assets			
Cash at bank and in hand	5	104,758	266,587
Debtors	6	31,169	27,638
Total Current Assets		135,928	294,225
Creditors: amounts falling due within one year			
Current Creditors	7	48,852	140,220
Net current assets		87,076	154,005
Creditors: amounts falling due after more than one year			
Long-Term Creditors	8	84,500	84,500
Net Assets		334,339	335,642
Retained Earnings			
Share Capital	9	289,100	291,400
Profit & Loss Account	10	45,239	44,242
Shareholders Funds		334,339	335,642

Advantage has been taken of the exemptions conferred by the Companies Act 2006 section 382 for small companies on the basis that the company is entitled to those exemptions as a small company.

The company is entitled to exemption from audit under section 477(2) of the Companies Act 2006 for the year ended 31 March 2026. No notice has been deposited under section 476(2) in relation to its financial statements for the financial year.

The directors acknowledge their responsibility for:

1. ensuring the company keeps accounting records which comply with section 386 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of the affairs of the company as at 31 March 2026 and of its profit for the financial year in accordance
2. with the requirements of section 393 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, as far as applicable to the company.

Signed:

Date:

Richard Blackburn, Chair

Notes to the Financial Statements

Harlaw Hydro

For the year ended 31 March 2026

1. Accounting Policies

Accounting Convention

The accounts have been prepared under the historical cost convention in accordance with applicable accounting standards.

2. Turnover

Turnover represents the value of income, excluding value added tax, and is derived entirely from activities carried out within the United Kingdom.

2026 2025

3. Tangible Assets

Grid Connection

Cost

Opening Balance	24,961	24,961
Total Cost	24,961	24,961

Depreciation

Opening Balance	(12,480)	(11,232)
Depreciation-Grid Connection.	(1,248)	(1,248)
Total Depreciation	(13,728)	(12,480)

Total Grid Connection 11,233 12,481

Plant and machinery

Cost

Opening Balance	329,534	324,426
Plant & Machinery	13,168	5,108
Total Cost	342,701	329,534

Depreciation

Opening Balance	(159,877)	(143,655)
Depreciation-Plant & Machinery.	(16,607)	(16,221)
Total Depreciation	(176,484)	(159,877)

Total Plant and machinery 166,217 169,657

Total Tangible Assets 177,450 182,137

Tangible fixed assets

Depreciation is provided, at the following annual rates in order to write off each asset over its estimated useful life.

Account	Method	Rate
Grid Connection	Straight Line	5%
Plant & Machinery	Straight Line	5%

	2026	2025
4. Investments		
Auchrobert Community Energy (Wind Farm)	4,000	4,000
Awesome Energy (Hydro Scheme)	5,000	5,000
Brighton & Hove Energy Services Co-Operative (Renewable Projects)	5,000	5,000
Grannell Community Energy (Wind Turbines)	5,000	5,000
Reading Hydro Community Benefit Society (Hydro Scheme)	4,900	5,000
Brighton & Hove Community Land Trust (Student Housing)	4,000	4,000
Bristol Energy (Hydro Scheme)	5,000	5,000
Common Ground against Homelessness (Homeless Accommodation)	5,000	5,000
Highland Community Energy (Hydro Scheme)	5,666	6,000
Low Carbon Hub (Renewable Projects)	8,000	8,000
Latch (Affordable Homes)	6,748	6,000
Bridport Community Housing (Affordable Homes)	6,000	6,000
Energise Barnsley (Renewable Projects)	6,000	6,000
EZ Change (EV Charging)	6,000	6,000
Energy Garden 2 (Solar - Community engagement)	8,000	8,000
Balerno Village Trust	70,000	-
Total Investments	154,314	84,000

These Investments have been spread over Community projects to maximise use of free cash and to minimise Investment risk.

	2026	2025
5. Cash at Bank		
Co-op Savings Instant	6,065	69,547
Co-op Current	10,937	3,719
Co-op Savings 95 Day	804	42,879
Nationwide Savings	86,953	150,443
Total Cash at Bank	104,758	266,587

	2026	2025
6. Debtors		
Accrual - Sales FIT	28,022	23,526
Accrual - Sales Export	2,580	-
Debtors - other	567	752
Sales Ledger	-	3,360
Total Debtors	31,169	27,638

	2026	2025
7. Creditors: Amounts Falling Due Within One Year		
Accrual - Donation Balerno Village Trust	45,000	120,000

Accrual - Share interest	11,764	14,595
Accrual - Corporation Tax	1,064	1,463
Accruals - Expenditure	1,800	2,142
VAT	(10,776)	2,021
Total Creditors: Amounts Falling Due Within One Year	48,852	140,220
	2026	2025

8. Creditors: Amounts Falling Due After One Year

Provision - Repairs	75,000	75,000
Provision - Property	9,500	9,500
Total Creditors: Amounts Falling Due After One Year	84,500	84,500

Provisions have been created for the potential cost of repairs to the grid connection and to the plant & machinery, over their useful life. The Board estimates that the short term potential cost of this is £85,000.

	2026	2025
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9. Share Capital

Share Capital	289,100	291,400
Total Share Capital	289,100	291,400

The majority of the reduction in Share Capital reflects share redemptions, either in full or in part.

	2026	2025
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10. Profit and Loss Account

Retained Earnings	44,242	43,425
Current Year Earnings	997	817
Total Profit and Loss Account	45,239	44,242

Detailed Profit and Loss

Harlaw Hydro

For the year ended 31 March 2026

	NOTES	2026	2025
Electricity Generation			
FIT Generation - SSE/OVO		64,570	86,517
Export Generation - Octopus		7,022	81,593
REGO's - Octopus		143	1,870
Export Generation - TEM		16,705	-
Total Electricity Generation		88,439	169,979
Gross Profit			
		88,439	169,979
Other Income			
Interest - Investment		2,943	3,321
Interest - Bank		2,658	4,379
Other Income		-	250
Total Other Income		5,601	7,950
Administration Expenses			
Accountancy Fees		300	300
Depreciation		17,855	17,469
Donations		45,000	120,000
Electricity		993	481
Rent - CEC		1,300	-
General Administration		393	262
Insurance		9,660	8,363
Provisions		-	7,500
Repairs and Maintenance		3,917	5,761
Shareholder Interest		11,564	14,570
Subscriptions		125	120
Telephone & Data		872	822
Total Administration Expenses		91,979	175,649
Net Profit (Loss)			
		2,061	2,280
Taxation and Adjustments			
Corporation Tax		1,064	1,463
Profit (loss) After Taxation			
		997	817