

Registration number: 07583663

The Low Carbon Hub C.I.C.

Annual Report and Financial Statements

for the Year Ended 31 March 2020

Critchleys Audit LLP
Registered Auditors
Beaver House
23 - 38 Hythe Bridge Street
Oxford
OX1 2EP

The Low Carbon Hub C.I.C.

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The Low Carbon Hub C.I.C.

Company Information

Directors

Barbara Hammond
Susan Halliwell
Timothy Paul Sadler
Luke Marion
Adriano Figueiredo
Thomas Hoines
Nina Alphey

Company secretary

Rachel Boyes-Watson

Registered office

Wood Centre for Innovation
Quarry Road
Headington
Oxford
OX3 8SB

Auditors

Critchleys Audit LLP
Registered Auditors
Beaver House
23 - 38 Hythe Bridge Street
Oxford
OX1 2EP

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2020

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

Directors of the company

The directors who held office during the year were as follows:

Barbara Hammond

Susan Halliwell

Timothy Paul Sadler

Luke Marion

Adriano Figueiredo

Thomas Hoines

George Levvy (resigned 21 June 2019)

Ramsay Dunning (resigned 21 June 2019)

Nina Alphey

Business development during 2019-20

This year has been the final delivery year of our three-year 2017-2020 business plan. In partnership with the Low Carbon Hub IPS Limited, we have been working towards the delivery of the following key objectives by March 2020.

- Excellent administration: To develop into a recognised centre of excellence for financial and operations administration.
- Growing the asset base: to enable us to increase our direct impact on curbing CO2 emissions, while growing our long-term funding for community benefit.
- Growing community benefit: to ensure real impact and sustainability.
- Catalysing innovation: As lead partner in OxFutures, a collaborative partnership bringing together councils, universities, and charities to boost low carbon economic development in Oxfordshire, with £3.2m of funding from the European Regional Development Fund.

The CIC has four key roles in the delivery of our business plan, namely:

1. Developing investment opportunities on behalf of the IPS, into which the IPS may then choose to invest
2. Managing the on-going operation of the generating assets, on behalf of the IPS
3. Delivering community benefit activity
4. Leveraging further resources such as additional grant funding, contracts and support, to foster the development of community-led solutions to tackle climate change.

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2020 Community Benefit Report

Income

In accordance with the Low Carbon Hub IPS Limited's Company aims and objectives, surpluses from projects that have been live for at least one year are passed to the Low Carbon Hub CIC in the form of Community Benefit Donations. This year, the income from our IPS owned renewables has been boosted thanks to the additional contribution of income generated by the solar PV arrays transferred from ONCORE in June 2018.

This income to the CIC has been further bolstered by funds from a number of additional income streams. We receive income from the sale of electricity generated by two CIC-owned renewable energy installations in Eynsham. We also receive income from a number of grants and contracts awarded to the CIC. These are in part leveraged by matched funding commitments from the CIC, fulfilling a key principle of our community benefit strategy - using our own community benefit income to leverage additional resources. Every programme is delivered in partnership with other organisations, enabling us to draw on a wide range of expertise, networks and additional resources.

During 2019-20 our work to foster the development of community-led solutions to tackle climate change was supported by the following programmes and funders:

- **Innovate UK: Prospering From the Energy Revolution**
Project LEO (Local Energy Oxfordshire) was launched this year. It is a £40 million, multi-stakeholder partnership carrying our real-world trials in Oxfordshire to test the technology and markets that will underpin our future energy system.
- **European Regional Development Fund:**
OxFutures is a three year £3.2m partnership funded by the European Regional Development Fund, to boost low carbon economic development in Oxfordshire.
- **Department for Business, Energy, and Industrial Strategy (BEIS): Building a market for energy efficiency: local supply chain demonstration projects.**
Cosy Homes Oxfordshire is a home eco-retrofit project aiming to make homes across Oxfordshire more energy efficient - reducing the energy demand of our homes whilst at the same time improving the comfort and health of residents.
- **Department for Business, Energy and Industry Strategy (BEIS):**
Boosting Access for SMEs to Energy Efficiency (BASEE). Supporting the development and launch of Energy Solutions Oxfordshire, an energy performance service for small and medium enterprises, delivered in conjunction with EnergyPro and the Oxford Brookes University Environmental Information Exchange team.
- **Power to Change Next Generation Programme**

We are part of an expert consortium, led by the Centre for Sustainable Energy, supporting a nationwide programme to develop new decentralised, decarbonised and democratised energy business models.
- **Westmill Solar Co-operative and Midcounties Regional Communities programme:**

We have continued to receive generous financial support from two local co-operatives towards our energy efficiency audits programmes for schools and community buildings in Oxfordshire.

All of these programmes will continue to run in 2020-21 and we are grateful to all our funders for their continued support of our work.

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2020

Table 1: Community benefit income for 2019-20

	2020	2019
	£	£
Renewables generated income		
IPS Community benefit donation	38,200	141,000
CIC Eynsham village Solar PV income	1,710	2,117
Donations		
Unrestricted donations	50	1
Restricted donations	45,881	25,229
Programme Grants		
Innovate UK – Project LEO	507,188	0
European Regional Development Fund	396,355	307,809
BEIS – Building a market for retrofit	117,712	114,682
Service Contracts		
BEIS – BASEE	24,264	0
Power to Change – Next Generation	18,852	13,347
Total	£1,150,212	£604,185

- £64,799 of the £141,000 IPS community donation received in 2018 was deferred into the 2019-20 financial year to be used as match funding for Project LEO. This gave a total income of £1,215,011 available to spend in 2019-20.
- The Project LEO income includes £306,170 which is passed through the CIC and recognised as grant income in other Low Carbon Hub entities (as detailed below).

Expenditure

We use our community benefit income to deliver:

- grants and loans to community energy enterprises
- funding, help and advice to support community action on climate change energy efficiency support to reduce our County's energy demands
- support for innovation initiatives, by providing seed funding for the development of new products and services that encourage carbon-cutting action.

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2020

Table 2: Community benefit Expenditure for 2019-20*

	2020	2019
	£	£
Community grant programme	30,805	38,788
Local energy programme	1,375,047	495,259
Community benefit management	2,900	2,900
Grand Total	1,408,752	536,947

*This includes CIC match funding and expenditure by Low Carbon Hub IPS Limited and Sandford Hydro Limited. For these reasons expenditure in the table above exceeds the total expenditure in the attached financial statements.

Community grants programme £30,805

Ten of our Low Carbon Hub community group shareholders were supported through our community grants programme this financial year. Total expenditure running the programme included a £2,200 contribution towards the cost of running the grants programme including the dissemination of learning from these activities.

IPS Community donation funded grants:

All of our community group shareholders were eligible for £500 grants. Additionally, we offered three larger grants of £5000 through a competitive grants application process. We were particularly delighted to receive a number of joint applications for grants, with groups working together to pool resources and deliver projects to the benefit of their communities. The following grants were awarded in 2019-20:

Small grants programme	£4,550
Rose Hill and Iffley Low Carbon: to create a promotional video for a 'brand the bus' campaign	£550
Osney Lock Hydro: towards on site landscaping to enable public access	£500
Low Carbon West Oxford and West Oxford Community Renewables: Insulation and renovation work at Hogacre Eco Park Pavilion	£1,000
Sustainable Didcot: Top up grant for their Didcot town-wide energy audit	£500
Transition Eynsham (GreenTEA): 'Making the most of your solar thermal'	£500
Public workshops and publication of instruction manual on using solar thermal.	
Westmill Sustainable Energy Trust, Westmill Solar Co-operative and Westmill Wind Farm Co-operative Consortium: towards the installation of an all-weather insulated yurt to be used as a visitors centre.	£1,500

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2020

Large grants programme **£15,000**

Low Carbon Oxford North £5,000

A continuation of their Healthy Streets and Active Travel project to lower emissions in Oxford streets.

Transition Eynsham Area (Green TEA) £5,000

Setting up an Inspiration Panel to advise communities on Low Carbon Development

Sustainable Didcot, Didcot town-wide energy audit £5,000

Renewable generation grants **£9,055**

We have agreements to support two of our CIC community group shareholders from income resulting from the sale of electricity from specific solar PV arrays.

Low Carbon Oxford North **£8,200***

As part of the agreement to transfer engagements from ONCORE to the Low Carbon Hub IPS Limited, we promised to honour ONCORE's commitment to support the work of Low Carbon Oxford North with income generated by the solar PV arrays on Cherwell School and St Barnabas Primary School. *£1,600 relates to delayed generation revenue from 2018-19.

Eynsham GreenTEA **£855**

Half of the net profits from the CIC-owned installations in Eynsham are donated to Eynsham GreenTEA in recognition of their support in making the project happen. In 2019/20 these funds helped support a number of local activities carried out by the group, including:

- Running the annual free GreenTEA festival that was attended by over 200 people. Its 'Working for a Greener Eynsham' theme included activities and stalls covering zero carbon development, local food sharing and tasting (with our local zero waste business), local energy, making beeswax wraps, repair café, games, book swap, ethical investment, the Big Draw and inviting ideas for the new Eynsham Nature Recovery project inspired by Long Mead meadow, a local wildlife site.
- Sponsoring and co-hosting a packed and enthusiastic launch event for the Eynsham Nature Recovery project at the Village Hall in January.
- Regular repair cafes and swap shop.
- An AGM with inspiring talks on sustainable transport options, locally and in Europe.
- Supporting other groups tackling the climate and ecological emergency
- Setting aside funds to support on-going work on our Smart and Fair Futures project.

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2020

Local Energy Programme **£1,375,047**

Our Local Energy Programme has two key themes. Firstly, we provide advice and practical and financial support to encourage the flourishing of community energy in Oxfordshire and beyond. Secondly, we support innovation, either through undertaking research and pilots ourselves, or funding the work of others to help explore new business models for community energy.

2019-20 has seen a continued focus on 'powering down' with continued growth in activities promoting energy efficiency, with the inception of our Energy Solutions Oxfordshire programme to trial the provision of energy performance services to small and medium enterprises. Activities this year have included:

Helpdesk service **£9,319**

Our helpdesk exists to support the development of a decentralised, community-owned renewables based energy system through additional activities not already provided as part of our on-going programmes. In 2019-20 we delivered 277 hours of support to 77 individuals and organisations. We've supported a wide range of organisations from technical advice on energy projects to low carbon community groups, to educational visits to local schools.

Next Generation **£18,852**

As well as our on-going helpdesk service, we are part of the expert consortium providing in-depth support to community energy projects nationally as part of a Power to Change funded programme. The project has two key strands. The first aims to transfer renewable energy assets from the private sector to the community sector. The second, supports ten communities to develop new business models for community energy.

Community building audits grant scheme **£13,103**

Thanks to generous support from Westmill Solar Co-operative we were able to offer 17 energy audits to community buildings in Oxfordshire. These audits are carried out by EiE, a not-for-profit organisation based at Oxford Brookes University, that provide organisations with support to reduce their energy use.

LESS CO2 Programme **£12,450**

We were delighted to work with the charity Ashden to bring the LESS CO2 programme to Oxfordshire for another year, enabling 15 more local schools benefit from their energy efficiency programme. The core programme was provided free of charge to local schools by Ashden. Thanks to additional funding from Mid-counties Regional Communities programme, participating schools were also offered in-depth energy efficiency audits, to give them personalised advice on improving the energy performance of their schools.

Project LEO: Local Energy Oxfordshire **£752,876**

This was the first year of Project LEO, a £40 million partnership that aims to transform the technology and markets that underpin Oxfordshire's energy system, and so demonstrate it's possible to meet our energy needs in a way that's good for people and good for the planet.

Project LEO is predicated on the hypothesis that a decentralised, or local energy solution, focused on balancing energy use at the grid edge, will be the most desirable approach to accelerating our transition to a zero carbon energy system.

In the next decade, Oxfordshire's annual electricity demand is likely to grow by more than 450GWh (100,000 new homes, employment growth, EV uptake, and heating electrification). A recent assessment by project lead SSEN identified that the network reinforcement requirements due to this demand growth is estimated to cost of £37.92m in Oxfordshire. The consortia of nine partners work on Project LEO will demonstrate how a highly responsive grid can be developed that maximises local balancing to unlock grid constraints and avoid much of this cost, whilst unlocking local low- carbon energy.

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2020

All three companies in the Low Carbon Hub are contributing to the project and grant funding is paid at 45% of total eligible costs. Each company is responsible for providing its own match funding. Total grant funding earned in the year was £507,188.

The CIC provided £245,688 of match funding, of which £58,384 came from community benefit funding as a contribution towards staff salaries.

The £507,188 grant funding was distributed between the companies as follows:

The Low Carbon Hub CIC received £201,018 towards staff salaries and programme delivery costs.

The Low Carbon Hub IPS Limited received £218,975 in grant funding, which included £98,344 for the use of existing IPS solar assets in minimum viable system (mvs) research; and £120,631 of grant funding towards the development of new plug-in project solar assets to demonstrate flexibility services and for the IPS's financial contributions to the optimisation works at Sandford Hydro.

Sandford Hydro Limited received £87,195; with £65,495 being for the use of the Hydro in minimum viable system experiments and £21,700 towards the optimisation works at Sandford Hydro, which will enable us to explore the use of the river as a battery.

OxFutures

£426,119

This was the third year of the OxFutures partnership, a three-year £3.2million project supported by the European Regional Development Fund. As the lead partner we are responsible for the overall administration of the project and co-ordination between the six project partners. Our role also includes the co-ordination of applications for support and to signpost organisations to the most relevant advice and support on offer from project partners. In particular, we have responsibility for the allocation of GreenFund Innovation and Energy Efficiency grants. This year £170,493 was paid out in grants to support energy efficiency and innovation in this financial year. In addition, a further £33,884 supported the development of the retrofitting supply chain in Oxfordshire for the benefit of construction trade SMEs.

Please note that expenditure reflects grants paid out to SMEs in a given year, rather than the value of grants awarded during the year. At year end, there was a further £130,036 for GreenFund grants included in the income figures as accrued amounts owed by the funder, which will be expensed in 2020-21 when paid out to recipients.

One SME supported through the OxFutures programme has been a Low Carbon Hub CIC community shareholder, Hook Norton Low Carbon, with part of the matched funding required also being provided by the Low Carbon Hub.

Hook Norton Low Carbon has plans to develop twelve homes in their Oxfordshire village, which are specifically designed to have a minimal carbon footprint, as well as being affordable and accessible to all members of their community. It is hoped to incorporate a smart micro-grid, with PV panels and electric vehicle charging. In 2019-20 they received £53,137 (£37,330 2018-19) of grant funded support covering staff time, third party costs and further community engagement in order to submit a full planning application. Hook Norton now has planning approval and hopes to launch a community share raise to develop the site through its new Community Land Trust. Low Carbon Hub has seen this as an opportunity to support the development of a model for similar housing developments, which could be replicable in other communities.

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2020

By the end of its third year, the OxFutures programme had supported 136 small and medium enterprises in Oxfordshire with energy efficiency audits. These have identified 907 recommendations amounting to an average annual energy saving of over £2,500 per business if implemented in full. Of the 136 businesses, 27 were awarded funding to implement their energy efficiency measures. A third of the potential savings have so far been realised by SME beneficiaries, reducing carbon emissions by 417 tonnes of CO₂ per year. Twelve innovation companies have been supported to either start-up new businesses or develop a new product or service. The new networking organisation established by OxFutures, Oxfordshire Greentech, has provided 3110 hours of support to 650 businesses.

The success of the programme has resulted in the ERDF funding being extended for a further three years to March 2023.

Cosy Homes Oxfordshire

£117,712

Working in consortium with the National Energy Foundation and RetrofitWorks, we launched *Cosy Homes Oxfordshire*, a home retrofit service. Now in its second year, the pilot was funded thanks to a £240,000 grant from the Department for Business, Energy and Industrial Strategy (BEIS), and supported by six of our CIC Community group Members who are piloting the scheme in their communities.

Energy Solutions Oxfordshire

£24,264

As part of a partnership led by EnergyPro, we supported the development of a new business model to encourage the take up of energy efficiency by small and medium enterprises. The resulting proposal focused on engaging organisations with energy efficiency work through trusted, local support – equipping local community-based organisations with the knowledge and tools to deliver energy efficiency projects for organisations, based on internationally established good practice. The project formed part of the UK Government's Department for Business, Energy & Industrial Strategy's Boosting Access for SMEs to Energy Efficiency (BASEE) competition. The project was one of a small number to receive second phase funding, and will pilot the approach in 2020-21.

The Peoples Power Station

£352

The People's Power Station is an online interactive map we developed to showcase Oxfordshire's efforts to reduce our dependency on fossil fuels to power our buildings. You can explore the map or add your own projects at www.peoplespowerstation.org

Community Benefit Management

£2,900

We believe that investing in good management of our community benefit is important in ensuring its effective use. This includes overall strategy development, and monitoring and reporting to ensure learning is fed back into the organisation. It excludes internal costs relating to the management of specific projects, which are allocated to those projects.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 7th October 2020 and signed on its behalf by:



Barbara Hammond
Director

The Low Carbon Hub C.I.C.

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 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 these financial statements, the directors are required to:

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

The Low Carbon Hub C.I.C.

Independent Auditor's Report to the Members of The Low Carbon Hub C.I.C.

Opinion

We have audited the financial statements of The Low Carbon Hub C.I.C. (the 'company') for the year ended 31 March 2020, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

The Low Carbon Hub C.I.C.

Independent Auditor's Report to the Members of The Low Carbon Hub C.I.C.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 10], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

The Low Carbon Hub C.I.C.

Independent Auditor's Report to the Members of The Low Carbon Hub C.I.C.

Colin Mills

.....
Colin Mills (Senior Statutory Auditor)
For and on behalf of Critchleys Audit LLP, Statutory Auditor

Beaver House
23 - 38 Hythe Bridge Street
Oxford
OX1 2EP

Date:....8 October 2020.....

The Low Carbon Hub C.I.C.

Profit and Loss Account for the Year Ended 31 March 2020

	Note	2020 £	2019 £
Turnover		1,054,994	717,178
Cost of sales		<u>(93,291)</u>	<u>(73,295)</u>
Gross profit		961,703	643,883
Administrative expenses		<u>(984,501)</u>	<u>(623,600)</u>
Operating (loss)/profit		<u>(22,798)</u>	<u>20,283</u>
(Loss)/profit before tax	4	(22,798)	20,283
Taxation		<u>4,133</u>	<u>(7,435)</u>
(Loss)/profit for the financial year		<u>(18,665)</u>	<u>12,848</u>

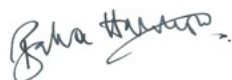
The notes on pages 17 to 20 form an integral part of these financial statements.

The Low Carbon Hub C.I.C.
(Registration number: 07583663)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	26,654	28,048
Current assets			
Stocks		22,512	-
Debtors	6	695,784	412,412
Cash at bank and in hand		138,294	95,771
		856,590	508,183
Creditors: Amounts falling due within one year	7	(761,253)	(394,946)
Net current assets		95,337	113,237
Total assets less current liabilities		121,991	141,285
Provisions for liabilities		(3,881)	(4,511)
Net assets		118,110	136,774
Capital and reserves			
Called up share capital		33	32
Profit and loss account		118,077	136,742
Total equity		118,110	136,774

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised for issue by the Board on 7th October 2020 and signed on its behalf by:



Barbara Hammond
 Director

The Low Carbon Hub C.I.C.

Statement of Changes in Equity for the Year Ended 31 March 2020

	Share capital	Profit and loss	Total
	£	£	£
At 1 April 2019	32	136,742	136,774
Loss for the year	-	(18,665)	(18,665)
Total comprehensive income	-	(18,665)	(18,665)
New share capital subscribed	1	-	1
At 31 March 2020	33	118,077	118,110
	Share capital	Profit and loss	Total
	£	£	£
At 1 April 2018	33	123,894	123,927
Profit for the year	-	12,848	12,848
Total comprehensive income	-	12,848	12,848
Other share capital movements	(1)	-	(1)
At 31 March 2019	32	136,742	136,774

The Low Carbon Hub C.I.C.

Notes to the Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a Community Interest Company limited by shares incorporated in United Kingdom.

The address of its registered office is:

Wood Centre for Innovation
Quarry Road
Headington
Oxford
OX3 8SB

2 Accounting policies

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The Low Carbon Hub C.I.C meets the definition of a public benefit entity under FRS102.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The C.I.C. receives community benefit donations which can only be expended on community benefit projects. The community benefit donations are only included in turnover when they are expended. Any unspent amounts are included in deferred income at the year-end.

The C.I.C. is the lead partner for certain grants. Where other parties are named in the grant agreement or there is a formal collaboration agreement in place, the income and expenditure for the other parties is not reflected in either income or expenditure as the C.I.C is acting as 'agent'.

Other grants

Grant income is recognised in full only when conditions for receipts have been met and, in the case of grants for specific projects, associated project expenditure has been incurred. When projects are in progress at the year-end, or where they have not yet started, grants are carried forward as deferred income to the extent needed to fund anticipated costs on the projects.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

The Low Carbon Hub C.I.C.

Notes to the Financial Statements for the Year Ended 31 March 2020

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	5% straight line
Office equipment	25% straight line
Website development	25% straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Work in progress is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 15 (2019 - 11).

4 Loss/profit before tax

Arrived at after charging/(crediting)

	2020	2019
	£	£
Depreciation expense	2,810	2,423

The Low Carbon Hub C.I.C.

Notes to the Financial Statements for the Year Ended 31 March 2020

5 Tangible assets

	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost or valuation			
At 1 April 2019	24,343	39,706	64,049
Additions	1,416	-	1,416
Disposals	(925)	-	(925)
At 31 March 2020	24,834	39,706	64,540
Depreciation			
At 1 April 2019	22,104	13,897	36,001
Charge for the year	819	1,991	2,810
Eliminated on disposal	(925)	-	(925)
At 31 March 2020	21,998	15,888	37,886
Carrying amount			
At 31 March 2020	2,836	23,818	26,654
At 31 March 2019	2,239	25,809	28,048

6 Debtors

	2020 £	2019 £
Trade debtors	28,822	74,486
Prepayments	11,840	24,459
Other debtors	655,122	313,467
	695,784	412,412

7 Creditors

Creditors: amounts falling due within one year

	2020 £	2019 £
Due within one year		
Trade creditors	99,570	82,972
Amounts owed to Low Carbon Hub IPS Ltd and Sandford Hydro Ltd	342,216	-
Other creditors	319,467	311,974
	761,253	394,946

The Low Carbon Hub C.I.C.

Notes to the Financial Statements for the Year Ended 31 March 2020

8 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £27,700 (2019 - £18,891). These represent the total commitments under non-cancellable operating leases over the remaining life of these leases.

The Low Carbon Hub C.I.C.

Detailed Profit and Loss Account for the Year Ended 31 March 2020

	2020 £	2019 £
Turnover (analysed below)	1,054,994	717,178
Cost of sales (analysed below)	(93,291)	(73,295)
Gross profit	961,703	643,883
Gross profit (%)	91.16%	89.78%
Administrative expenses		
Employment costs (analysed below)	(581,683)	(385,150)
Establishment costs (analysed below)	(46,707)	(27,647)
General administrative expenses (analysed below)	(352,772)	(208,264)
Finance charges (analysed below)	(529)	(116)
Depreciation costs (analysed below)	(2,810)	(2,423)
	(984,501)	(623,600)
Operating (loss)/profit	(22,798)	20,283
(Loss)/profit before tax	(22,798)	20,283

The Low Carbon Hub C.I.C.

Detailed Profit and Loss Account for the Year Ended 31 March 2020

	2020 £	2019 £
Turnover		
Sale of goods, UK	339,673	290,839
Interest received	236	286
Grants and subsidies	715,085	426,053
	1,054,994	717,178
Cost of sales		
Direct costs	93,291	73,295
Employment costs		
Wages and salaries (excluding directors)	504,508	337,251
Staff NIC (Employers)	45,421	29,728
Staff pensions (Defined contribution)	31,489	16,736
Staff training	265	1,435
	581,683	385,150
Establishment costs		
Rent	39,066	21,792
Rates	16	44
Insurance	7,300	5,419
Repairs and maintenance	325	392
	46,707	27,647
General administrative expenses		
Telephone and fax	1,253	858
Office expenses	5,725	4,534
Computer software and maintenance costs	22,374	16,362
Printing, postage and stationery	5,966	3,845
Trade subscriptions	820	1,258
Charitable donations	201,107	103,662
Sundry expenses	12,279	25,618
Cleaning	1,131	1,657
Community engagement and marketing	83,792	35,997
Travel and subsistence	9,360	7,161
Accountancy fees	6,539	4,960
Legal and professional fees	2,426	2,352
	352,772	208,264
Finance charges		
Bank charges	529	116
Depreciation costs		
Depreciation of plant and machinery (owned)	2,810	2,423