

The Low Carbon Hub IPS Limited

Registration No: 31903R

GROUP FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2020**

The Low Carbon Hub IPS Limited

GROUP FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2020**

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The Low Carbon Hub IPS Limited

**Report of the Board
For the Year End
31 March 2020**

The Board presents its Report and the Group Financial Statements for the year ended 31 March 2020.

Full name: The Low Carbon Hub IPS Limited

Industrial Provident Society Number: 31903R

Wholly-owned subsidiaries

Low Carbon Hub Sandford Hydro Limited (Company Registration no: 9743887)

Principal Address

Wood Centre for Innovation, Stansfield Park,
Quarry Rod, Headington, Oxford OX3 8SB

Low Carbon Hub IPS Board Members

The Board members who served during the year were:

Tim Sadler
Luke Marion
Barbara Hammond
Steve Drummond
Adriano Figueiredo
Tom Hoines
George Levvy (resigned 21/06/19)
Ramsay Dunning (resigned 21/06/19)

Company Secretary

Rachel Boyes-Watson

Bankers

Cooperative Bank
Southway
Skelmersdale WN8 6WT

Triodos Bank
Deanery Road
Bristol BS1 5AS

Charity Bank
Fosse House
182 High Street
Tonbridge TN9 1BE

Auditors

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

Solicitors

Blake Morgan
Seacourt Tower
West Way
Oxford OX2 0FB

Bates Wells Braithwaite
10 Queen Street Place
London EC4R 1BE

Governing document

The society is operated in accordance with Rules of The Low Carbon Hub IPS Limited¹.

It is a society limited by share capital. The liability of each Class A and Class B shareholder in the event of winding-up is £1.

¹ <http://www.lowcarbonhub.org/governance>

Aims and Objectives

The Low Carbon Hub IPS is an Industrial and Provident Society for the Benefit of the Community (IPS Bencom). Low Carbon Hub Sandford Hydro Limited is a wholly-owned subsidiary of The Low Carbon Hub IPS Limited.

The Low Carbon Hub IPS (IPS) develops renewable energy projects for partner organisations providing them with cheaper electricity, enabling them to meet carbon reduction commitments, and delivering positive corporate social responsibility and PR return. The IPS provides the capital so there is no investment cost to the installation host organisation. The IPS owns the installations and receives income from the sale and export of the electricity and retains the Feed in Tariff. Surpluses from the IPS are passed to the Low Carbon Hub CIC (CIC) to fund work on community energy projects.

Overall management of the society is the responsibility of the directors. Day to day company activity and company secretarial services are managed and carried out as a charged service by officers of the CIC. Administrative service fees payable to the CIC covers these services.

The Board's Responsibilities

The Board are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Board are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102. The financial statements are required by law to give a true and fair view of the state of affairs of the society and of its excess of income over expenditure for that period. In preparing these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board are responsible for the maintenance and integrity of the corporate and financial information included on the society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Report of the Board

This has been another year of growth and exciting opportunities for the Low Carbon Hub group. The Low Carbon Hub IPS (IPS) and Sandford Hydro have been participating in the work of Project LEO alongside the Low Carbon Hub CIC.

Project LEO (Local Energy Oxfordshire) is a £40 million, multi-stakeholder partnership carrying out real-world trials in Oxfordshire to test the technology and markets that will underpin our future energy system.

For its participation in the project the group has received £306,170 in grant funding, the purpose of which is two-fold:

Low Carbon Hub's existing assets are playing a significant part of Project LEO's technical trials to explore how flexibility services can be provided by small-scale renewable energy installations. A focus this year has been Sandford Hydro. This has involved testing how the hydro can control the flow in the river to use the river as a form of battery, saving the energy for a time when it is most needed.

Grant funding is also contributing to the development of new renewable assets to meet the needs of specific system trials. This year four new installations on schools and businesses were built.

During the year, £102,999 (Total cumulative to date £435,823) was recognised as a community benefit donation by the IPS to support further carbon cutting activity by the CIC. This continues to enable the developing the 'powering' down element of our work with schools and organisations and leverages significant additional funding support.

Equity

2019-20 saw our fourth share raise for Community Energy Fund, with £1,547,843 raised from 446 shareholders, formally being accepted in July 2020.

The investment raised will fund 4 new installations and enabled us to pay back our entire outstanding short-term loan from Oxford City Council. As a result, our Solar 2016 portfolio is now entirely funded by community investment. The balance remaining will be used in 2020-21 as the initial investment for building a 19MW solar farm.

At year end, we had 1040 shareholders, 450 of whom have invested more than once in Low Carbon Hub IPS.

Debt finance

Charity Bank £2m long-term debt finance on Sandford Hydro we have continued to meet our interest and capital repayments to schedule. The outstanding balance at year end was £1,812,510.

As planned, we repaid in full the £200,000 medium-term funding from Resonance CLF

We have continued to make use of the Oxford City Council short term construction funding to cashflow asset development at year end this was £531,438. As noted above this was repaid in full in July 2020.

Project Performance

In 2019-2020 we generated 3,800 MWh against a forecast generation of 4,345 MWh. 2,810 MWh of solar generation exceeded the generation forecast of 2,768 MWh, but difficult river conditions meant that generation at Sandford Hydro was lower than was hoped, in particular during the winter where very heavy rainfall led to flooding, and the river conditions exceeded the extremes of the plant's operating parameters. The total generation from the hydro was 989 MWh, lower than the original modelled forecast of 1,864 MWh,

Installations

Our installed capacity further increased with the addition of four new installations in 2019 – 2020. Our total portfolio of solar PV arrays reached 44 installations on the roofs of 37 hosts, with a combined installed

capacity of 3.80 MW including Sandford Hydro and an annual predicted generation of 4.8 GWh (including revised generation model forecast for Sandford Hydro).

Community benefit donations

During the year, £38,200 (2019: £141,000) was advanced as a community benefit donation by the IPS to support further carbon cutting activity by the CIC. £102,999 (2019 £76,201) was recognised this financial year when it was utilised by The Low Carbon Hub CIC. Please see the accounts for the Low Carbon Hub CIC for a full breakdown of how it utilised these funds to assist further community driven carbon reduction projects.

Social impact

Our IPS projects deliver a range of environmental and social benefits. In 2019-20 these included:

- Generating 3,799,558 kWh- enough power to meet the typical electricity needs of 1,231 households
- Saving 1054 tonnes of CO₂ (based on a carbon intensity of 0.2773 kg CO₂e per kWh)
- Saving host organisations £66,914 on their electricity bills through the supply of discounted green electricity

Financial Performance

Income continued to grow in the year and reached a record figure of £910,283, compared with £733,103 in 2018/19. This was assisted by government grant income of £173,823 related to the company's portfolio of assets being included in the Innovate UK-funded Local Energy Oxford project.

An operating loss of £156,419 was returned in the year, compared to £403,371 in the prior year. The financial structure of the society is such that operating losses are expected each year, due to the fact that the projects are treated as "wasting assets," resulting in large depreciation charges, because community benefit donations paid to the Low Carbon Hub CIC are treated as an administration expense, and because returns to shareholders are paid as interest.

Operating losses reduced this year due to the improved turnover, along with a reduction in administration costs. The prior year saw an additional £35,129 in legal fees being incurred in relation to the resolution of a construction contract related dispute related to Sandford Hydro. This did not recur in the current year.

Business rates continues to be an issue this financial year. A number of the local district councils took legal advice and have questioned the need to give the Low Carbon Hub group charitable business rates relief. Initially, reliefs were removed and both the IPS and Low Carbon Hub Sandford Hydro Limited (Sandford Hydro) were charged commercial business rates on their installations. This led to significant increases in administration costs. This financial year some of the councils have taken the view to apply discretionary business rates relief.

It remains the belief of the Board that that our activities are for a charitable and social purpose and the Board have taken legal advice in relation to this matter. The work is ongoing to make the necessary amendments to our Rules and Articles of Association to ensure that our charitable purpose is fully enshrined within our corporate structures and to enable the reliefs on business rates to be re-instated in all areas. This matter will be before the members at the AGM in October 2020.


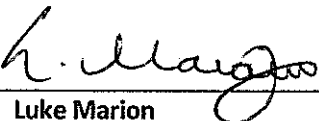

Key terms

- CIC = Community Interest Company
- kW = kilowatt
- KWp = kilowatt peak
- MW = megawatt
- MWh = megawatt hour
- GWh = gigawatt hour

Auditor

A resolution to re-appoint Critchleys Audit LLP as the Auditors for the ensuing year will be proposed at the forthcoming Annual General Meeting.

Signed on behalf of the Board on 6th October 2020

		
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Tim Sadler Chair	Luke Marion Treasurer	Rachel Boyes-Watson Secretary

**Independent Auditor's Report
To the Members of**

The Low Carbon Hub IPS Limited

For the Year Ended 31st March 2020

Opinion

We have audited the financial statements of The Low Carbon Hub IPS Limited (the "society") for the year ended 31 March 2020, which comprise the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and the related notes to the consolidated accounts, along with the Society's Statement of Financial Position, the Society's Income Statement, the Society's Statement of Changes in Equity and the related notes to the Society's accounts, 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 Financial Reporting Standard 102: 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 group and society's affairs as at 31 March 2020 and of the group and society's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

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 society 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 Board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the society'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. The Board are responsible for the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation;
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Board

As explained more fully in the Board's responsibilities statement [set out on page 5], the Board 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 they 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 Board are responsible for assessing the society'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 committee of management either intend to liquidate the society 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 society's members, as a body, in accordance in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditors' 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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Critchleys Audit LLP

Critchleys Audit LLP
Statutory Auditor
Oxford

.....9 October.....2020

The Low Carbon Hub IPS Limited

Consolidated Statement of Financial Position
As at 31 March 2020

	Notes	2020 £	2019 £
Intangible Fixed Assets	7.	9,753	10,242
Tangible Fixed Assets	8.	7,015,326	7,017,081
		<u>7,025,079</u>	<u>7,027,323</u>
Current Assets			
Debtors	9.	625,773	287,225
Cash at bank and in hand	10.	278,515	398,736
		<u>904,288</u>	<u>685,961</u>
Creditors: Amounts falling due within one year	11.	1,269,755	766,458
Net Current (Liabilities) / Assets		<u>(365,467)</u>	<u>(80,497)</u>
Total Assets Less Current Liabilities		<u>6,659,612</u>	<u>6,946,826</u>
Creditors: Amounts falling due after more than one year	12.	1,847,133	1,934,924
Total Net Assets		<u>4,812,479</u>	<u>5,011,902</u>
Capital and Reserves			
Share Equity	13.	5,808,978	5,851,982
Income and Expenditure Account		(996,499)	(840,080)
Members' Funds		<u>4,812,479</u>	<u>5,011,902</u>

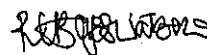
Signed on behalf of the Board and authorised for issue on 6th October 2020.



Tim Sadler
Chair



Luke Marion
Treasurer



Rachel Boyes-Watson
Secretary

The Low Carbon Hub IPS Limited

Consolidated Income Statement
As at 31 March 2020

	Notes	YEAR ENDED 31 MARCH 2020	YEAR ENDED 31 MARCH 2019
		£	£
Income			
Electricity Sales		326,100	322,618
FIT Income		403,790	405,951
Interest income		944	1,301
Government grant income		173,823	-
Other Grant income and other income		5,626	3,233
		910,283	733,103
Expenditure			
Community Benefit Donations	3.	102,999	76,201
Depreciation/Amortisation Expense	7.& 8.	365,543	374,304
Administration fees	4.	233,936	358,394
Interest Payable	5.	364,224	327,575
		1,066,702	1,136,474
Deficit for the year		(156,419)	(403,371)
Taxation	6.	-	-
Deficit transferred to retained reserve		(156,419)	(403,371)

The Low Carbon Hub IPS Limited

**Consolidated Statement of Other Comprehensive Income
As at 31 March 2020**

	YEAR ENDED 31 MARCH 2020	YEAR ENDED 31 MARCH 2019
	£	£
Deficit for the year	(156,419)	(403,371)
Total other comprehensive income	-	-
Total comprehensive income for the year	(156,419)	(403,371)

The Low Carbon Hub IPS Limited

Consolidated Statement of Changes in Equity
As at 31 March 2020

	Share Capital	Income and Expenditure Account	Total Shareholders' Funds
	£	£	£
At 31 March 2018	4,105,278	(436,709)	3,668,569
Deficit for the year	-	(403,371)	(403,371)
Other comprehensive income	-	-	-
Issue of new equity shares	1,746,704	-	1,746,704
At 31 March 2019	5,851,982	(840,080)	5,011,902
Deficit for the year	-	(156,419)	(156,419)
Other comprehensive income	-	-	-
Issue of new equity shares	-	-	-
Repayment of shares	(43,004)	-	(43,004)
At 31 March 2020	5,808,978	(996,499)	4,812,479

The Low Carbon Hub IPS Limited

Consolidated Cashflow Statement
As at 31 March 2020

	YEAR ENDED 31 MARCH 2020		YEAR ENDED 31 MARCH 2019	
	£	£	£	£
Opening cash		398,736		313,896
Deficit for the year	(156,419)		(403,371)	
Depreciation	365,543		374,304	
Community benefit donations	102,999		76,201	
Interest expense	364,224		327,575	
Operating surplus		676,347		374,709
Working capital movements		(269,129)		(55,708)
Net cash flow from operating activities		407,218		319,001
Net capital investment		(363,299)		(26,969)
Cash acquired with ONCORE		-		58,450
Community benefit donations		(38,200)		(141,000)
Net cash flow from investing activities		(401,499)		(109,519)
New share equity raised		-		1,507,985
Oxford City Council construction fund		531,438		(1,305,807)
Repayment of loans		(284,558)		(82,429)
Members interest payments		(235,942)		(97,988)
Interest on debt finance		(93,874)		(146,403)
Repayment of shares		(43,004)		-
Net cash flow from financing activities		(125,940)		(124,642)
Cash as at the balance sheet date		278,515		398,736

The Low Carbon Hub IPS Limited

Consolidated Cashflow Statement
As at 31 March 2020

Reconciliation of Consolidated Net Debt

	1 April 2019	Cash flows	Other non-cash changes	31 March 2020
	£	£	£	£
Unrestricted Cash at bank	310,942	(148,041)	-	162,901
Loans due within one year	(385,000)	(246,880)	(84,558)	(716,438)
Loans due after one year	<u>(1,812,068)</u>	<u> </u>	<u>84,558</u>	<u>(1,727,510)</u>
Net debt	<u>(1,886,126)</u>	<u>(394,921)</u>	<u>-</u>	<u>(2,281,047)</u>

Loans consist of Charity Bank loan; The Community Land and Finance loan , which had an interest rate of 7.5% was repaid in the year ended 31 March 2020; the Oxford City Council fish pass loan and the construction facility (see notes 11 and 12).

The Low Carbon Hub IPS Limited

Notes to the Consolidated Financial Statements For the Year Ended 31 March 2020

1. Entity information and Statement of compliance with FRS 102

The Low Carbon Hub IPS is an Industrial and Provident Society for the Benefit of the Community (IPS Bencom) with registered number 31903R. The society is incorporated in England and Wales and has its registered office at Wood Centre For Innovation, Quarry Road, Headington, Oxford, OX3 8SB.

These financial statements were prepared in accordance with Financial Reporting Standard 102 and in accordance with applicable accounting standards.

The principal accounting policies adopted by the Society are set out in note 2.

2. Accounting Policies

Basis of preparation

The consolidated financial statements include the result of the subsidiary company, Low Carbon Hub Sandford Hydro Limited

The Financial Statements have been prepared under the historical cost convention using the following accounting policies:

Judgements

The main judgments made by the Directors in preparing the Financial Statements are the use life of tangible fixed assets and whether there has been any impairment in the value of fixed assets.

Income

The income shown in the Income and Expenditure Account represents amounts receivable during the year in respect of services provided by the group.

Grants to fund the acquisition of tangible fixed assets (both government grants and grants from other entities) are credited to deferred income upon receipt. They are then released to income (to match against the related depreciation charge) over the useful life of the asset funded by the grant. Grants to cover expenses are recognised in income in the period in which the expense is incurred.

Tangible Fixed Assets

Tangible Fixed Assets are stated at cost. Cost includes all costs incurred to bring assets into service, including legal fees, construction costs, development fees payable to The Low Carbon Hub CIC, and an allocation of financing costs.

Depreciation is calculated to write off the cost of an asset on a straight line basis over the expected useful life of the asset.

Capital grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. These grants are credited to deferred income and so are released to the income statement over the expected useful life of the asset.

Solar PV Arrays

The useful life of solar PV arrays is estimated based on the duration of the FIT payments that are receivable in respect of that array, which are typically 20 years.

Inverters used on solar PV arrays are anticipated to have a shorter useful life than the arrays themselves. In recognition of this, these are separated out from the array they support and are depreciated over 10 years.

Hydro Plant and Machinery

The useful life of the Sandford Hydro plant is estimated to be 40 years based on the life span of the civil engineering works.

The plant machinery is anticipated to have a shorter useful life than the plant and is depreciated over 10 years.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

No deferred tax asset is currently recognised in respect of any taxation losses.

Derivatives and Financial Instruments

Financial Instruments are classified and accounted for, where appropriate, according to the substance of the contractual arrangement as either financial assets, financial liabilities or equity instruments.

Forward contract derivatives are accounted for using hedge accounting as permitted under FRS 102. The fair value of the contracts is re-measured at the balance sheet date and gains or losses resulting from changes in the fair value of the derivative are recognised in other comprehensive income.

Hedge accounting will be discontinued when the derivative expires and at this point any cumulative gain or loss on the hedging instrument will be included in the carrying value of the Sandford Hydro Plant asset and transferred to the income statement over the asset's expected useful life.

Interest on members' equity

Interest on members' equity is recorded as an expense once the interest payment has been agreed by the board. All interest payments are made at the discretion of the board and therefore no accrual is made for interest payments not yet declared.

3. Community Benefit Donations

In accordance with the Company's aims and objectives, surpluses from projects that have been for at least one year are passed to The Low Carbon Hub CIC in the form of a Community Benefit Donation. The Low Carbon Hub CIC uses these funds to support its activities within Oxfordshire focussed on improving energy efficiency, and on increasing the amount of energy produced from community-owned renewable sources.

During the year, £102,999 (2019: £76,201) was transferred to The Low Carbon Hub CIC as such a donation. This is recognised as an expense when utilised by The Low Carbon Hub CIC and any amounts advanced in excess of utilised amounts are included within prepayments.

4. Administration Costs

Administration costs are made up of the following:

	2020	2019
	£	£
Low Carbon Hub CIC (see related parties note)	115,042	102,422
Other Admin Fees	57,250	187,939
Other Operations & Maintenance Fees	61,642	68,033
	233,934	358,394

The audit fee for 2019/20 included in these accounts £4,750 (2019: £4,600).

5. Interest Payable

	2020	2019
	£	£
Members Interest Payments	270,350	182,240
Loan Interest	93,874	145,335
	364,224	327,575

For 2019-20 Directors have declared interest payments on outstanding capital as follows:

	Interest rate	Interest Due £
Solar PV 2014	5.74%	105,879
Solar PV 2016	5.20%	41,085
Sandford Hydro 2016	3.50%	51,491
ONCORE A 25 Year Pledge	4.20%	5,039
ONCORE A Withdrawable	3.00%	720
ONCORE B	4.20%	3,784
Community Energy Fund	4.00%	62,352
		270,350

£217,168 (2019: £182,240) has been accrued at the balance sheet date and it is expected that this will be paid out prior to the 2020 AGM.

£9,734 was expensed in 2018/19 in relation to amounts due to ONCORE shareholders for 2017/18 as part of the transfer of engagements. In 2018/19 £520 was accrued as other members interest outstanding from 2017/18.

During the development of the Solar PV array projects, interest on the loan from Oxford City Council formed part of the capital costs. In 2019/20 4 new sites were commissioned and £1,077 (2018/19: £599) of interest was capitalised. The balance of the continuing interest payments in relation to this loan and totalling £3,890 (2019: £53,453) has been expensed.

During the construction of Sandford Hydro, interest on the loan from the charity bank formed part of the capital costs. In 2019/20 £nil (2018/19 £nil) was capitalised. The balance of the continuing interest payments in relation to this loan and totalling £79,516 (2018/19: £80,900) have been expensed.

6. Taxation

A reconciliation of income tax applicable to accounting profit before tax at the statutory tax rates for the years ended 31 March 2020 and 31 March 2019 is as follows:

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK. The standard rate of corporation tax for the year ended 31 March 2020 was 19% (2019: 19%).

	2020	2019
	£	£
(Deficit) for the year before tax	(156,419)	(403,371)
At United Kingdom Tax rate of 19%	(29,720)	(76,640)
Creation of tax losses	29,720	76,640
Total reported on the income statement	-	-

7. Intangible Fixed Assets

	Goodwill
	£
At 31 March 2019	10,731
Arising in the year	-
As at 31 March 2020	10,731
Amortisation	
As at 31 March 2019	489
Amortisation in the year	489
As at 31 March 2020	978
Net book value at 31 March 2019	10,242
Net book value at 31 March 2020	9,753

Goodwill arose in relation to the transfer of engagements of ONCORE on 1st June 2018.

8. Tangible Fixed Assets

	Sandford Hydro £	Solar PV arrays £	Inverters £	WIP & Office Equipment £	Total £
Cost					
At 31 March 2019	3,808,011	3,801,813	259,350	12,667	7,881,841
Additions & adjustments	(18,920)	184,844	12,262	195,945	374,131
Disposals	-	-	(10,832)	-	(10,832)
At March 2020	3,789,091	3,986,657	260,780	208,612	8,245,140
Depreciation					
At 31 March 2019	183,865	595,811	84,978	106	864,760
Provided during the year	144,536	202,089	18,352	77	365,054
Disposals	-	-	-	-	-
At 31 March 2020	328,401	797,900	103,330	183	1,229,814
Net book value					
At 31 March 2019	3,624,146	3,206,002	174,372	12,561	7,017,081
At 31 March 2020	3,460,690	3,188,757	157,450	208,429	7,015,326

Sandford Hydro plant was completed during 2018. Of the costs capitalised to date on Sandford Hydro Limited £410,239 (2018/19: £410,239) relates to financing costs.

A total of £26,640 (2018/19: £11,734) of financing costs were capitalised into Tangible Fixed Asset cost during the year. Of these costs, £1,077 (2018/19: £nil) related to interest on loan finance; £23,000 (2018/19: £nil) for fees in connection with finance arrangements and £2,563 (2018/19: £11,734) related to costs incurred in relation to new share offerings.

9. Debtors

	2020 £	2019 £
Trade Debtors	128,585	71,819
Amounts owed from Low Carbon Hub C.I.C. (see note 18)	276,171	-
Accrued Income Electricity Sales & FIT	101,330	100,352
Prepayments and accrued income	67,474	99,227
VAT recoverable	52,213	15,827
	625,773	287,225

10. Cash or cash equivalents

	2020 £	2019 £
Unrestricted cash	162,901	310,942
Restricted cash	115,614	87,794
	278,515	398,736

Management have set aside £115,614 as a fund to cover expected future inverter replacement requirements. This level of cash will be regularly reviewed against expected requirements.

11. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Charity bank loan (See Note 12)	85,000	85,000
Community Land & Finance loan	-	200,000
Oxford City Council fish pass loan	100,000	100,000
Trade Creditors	187,971	69,164
Amounts due to The Low Carbon Hub CIC (See Note 15)	-	73,486
Accruals	238,722	238,808
Deferred Income	126,624	-
Oxford City Council construction facility	531,438	-
	1,269,755	766,458

The Oxford City Council construction loan facility has a term of 364 days, at an interest rate of 5%. The term for each drawdown starts on the date of funds being released. At 31st March 2020 the loan facility was secured over four PV arrays with a combined net book value of £165,334 (2019: Nil). Post year end the Oxford City Council construction facility has been repaid in full and the security released.

Community Land & Finance loan had an interest rate of 7.5% was repaid in the year ended 31 March 2020.

12. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Charity bank loan	1,727,510	1,812,068
Deferred income	119,623	122,586
	1,847,133	1,934,654

On 23 September 2016, a £2,000,000 loan facility was signed between Low Carbon Hub Sandford Hydro Limited and The Charity Bank as long term finance for the construction of the Sandford Hydro project. This finance has an interest rate of 3.5% over Bank of England Base Rate and is due for repayment in September 2034. This loan is secured against the Sandford Hydro asset.

The £2,000,000 loan facility has been drawn. The balance remaining at year end is £1,812,150 (2019: £1,897,068).

Deferred income represents grants to fund acquisition of tangible fixed assets. This is released to income (to match against the depreciation charge) over the useful life of the asset funded by the grant.

13. Share Equity

The equity held by shareholders at 31 March 2020 is as follows:

	2020	2019
	£	£
Class A £1 Shares Solar PV 2014	1,662,558	1,693,001
Class A £1 Shares Solar PV 2016	784,411	790,100
Class B £1 Shares Solar PV 2013	147,749	150,000

Class A £1 Shares Sandford Hydro 2016	1,471,177	1,471,177
Oncore -£1 Portfolio A 25 Year Pledge	119,987	123,209
Oncore - £1 Portfolio A Withdrawable	24,010	24,010
Oncore - £1 Portfolio B	90,101	91,500
Community Energy Fund £1 Shares	1,508,985	1,508,985
	5,808,978	5,851,982

Number of individual shareholders by share class at 31st March 2020:

Share Class	2020	2019
Class B - Solar PV 2013	10	10
Class A - Solar PV 2014	345	345
Class A - Solar PV 2016	239	241
Class A - Sandford Hydro 2016	468	464
Class A - ONCORE - £1 Portfolio A 25 Year Pledge	63	63
Class A - ONCORE - £1 Portfolio A Withdrawable	13	13
Class A - ONCORE - £1 Portfolio B	36	36
Class A - Community Energy Fund £1 Shares	370	366

Rights, Preferences and Restrictions attaching to Share Classes

Class A shares are non-transferable. They can be withdrawn by agreement between the Directors and the member holding a class A share.

Class B shares can be transferred between family members, or to any trust established for the benefit of family members at any time. They can only be transferred outside of a family member by giving formal notice to the Directors of their wish to do so, and by following a prescribed process set out in section 9 of the Society's rules, which can be found online at <https://www.lowcarbonhub.org/wp-content/uploads/2020/07/Low-Carbon-Hub-IPS-Rules-2020.pdf>

Terms under which capital can be repaid to members for each share class are set out in section 7 of the Society's rules, which can be found online at <https://www.lowcarbonhub.org/wp-content/uploads/2020/07/Low-Carbon-Hub-IPS-Rules-2020.pdf>

All members have one vote at General Meetings of the Society, regardless of how many shares they hold.

14. Board Members' Remuneration

No expenses were paid to any Board members in their capacity as Board members

15. Capital and Leasing Commitments

The Society had no capital commitments (2019: £nil) at 31 March 2020.

As at 31 March 2020 the Group had total commitments in respect of the minimum amounts payable under operating leases (which expire after 5 years) of £338,250 (2019: £347,250). The rental expense in the period was £9,000 (2019 £12,750)

16. Related Party Transactions

During the year the group made the following transactions with:

The Low Carbon Hub CIC:

£13,367 was paid in respect of Project Development Fees (2019: £9,795); £115,042 was paid in respect of Investor Registry Services, Administration and Operations & Maintenance costs (2019: £99,314); and £102,999 was included as a Community Benefit Donation, as described in Note 3 (2019: £76,201).

Finally, £23,000 (2019: £2,300) was paid to the Low Carbon Hub CIC as a finance arrangement fee for the continued access to the Oxford City Council Revolving Construction Loan fee and £nil (2019: £25,896) to reimburse it for costs incurred in preparation for new share offers during the year.

At the balance sheet date, £342,216 (2019: £nil) was owed by The Low Carbon Hub CIC, and included in trade creditors was £18,247 (2019: £34,153) owed to The Low Carbon Hub CIC.

17. Subsequent events

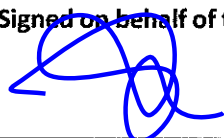
Since the year end additional share capital of £1,547,744 has been raised

The Low Carbon Hub IPS Limited

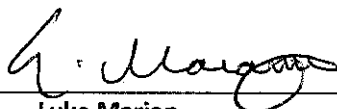
The Society's Statement of Financial Position
As at 31 March 2020

	Notes	2020 £	2019 £
Intangible Fixed Assets	8.	9,753	10,242
Tangible Fixed Assets	9.	3,533,417	3,392,734
Fixed Asset Investments	10.	1,974,178	1,974,178
		5,517,348	5,377,154
Current Assets			
Debtors	11.	704,033	307,694
Cash at bank and in hand	12.	193,808	296,642
		897,841	604,336
Creditors: Amounts falling due within one year	13.	1,113,416	624,529
Net Current (liabilities)		(215,575)	(20,193)
Total Assets Less Current Liabilities		5,301,773	5,356,961
Creditors: Amounts falling due after more than one year	14.	-	-
Total Net Assets		5,301,773	5,356,961
Capital and Reserves			
Share Equity	15.	5,808,978	5,851,982
Income and Expenditure Account		(507,205)	(495,021)
Shareholders' Funds		5,301,773	5,356,961

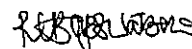
Signed on behalf of the Board and authorised for issue on 6th October 2020



Tim Sadler
Chair



Luke Marion
Treasurer



Rachel Boyes-Watson
Secretary

The Low Carbon Hub IPS Limited

**The Society's Income Statement
As at 31 March 2020**

	Notes	YEAR ENDED 31 MARCH 2020	YEAR ENDED 31 MARCH 2019
		£	£
Income			
Electricity Sales		261,793	260,002
FIT Income		264,814	257,864
Government grant income		108,327	-
Interest Receivable	3.	106,822	9,346
		741,756	527,212
Expenditure			
Community Benefit Donations	4.	102,999	76,201
Administration fees	5.	145,650	213,458
Interest Payable	7.	284,361	250,875
Depreciation/Amortisation Expense	8.& 9.	220,930	208,393
		753,940	748,927
Surplus/(Deficit) for the year		(12,184)	(221,715)
Taxation	6.	-	-
Surplus/(Deficit) transferred to retained reserve		(12,184)	(221,715)

There were no recognised gains or losses other than those included in the Income & Expenditure Account.

The Low Carbon Hub IPS Limited

The Society's Statement of Changes in Equity
As at 31 March 2020

	Share Capital	Income and Expenditure Account	Hedging reserve	Total Shareholders' Funds
	£	£	£	£
At 31 March 2018	4,105,278	(273,306)	-	3,831,972
Loss for the year		(221,715)	-	(221,715)
Issue of new equity shares	1,746,704	-	-	1,746,704
At 31 March 2019	5,851,982	(495,021)	-	5,356,961
Loss for the year		(12,184)	-	(12,184)
Issue of new equity shares	-	-	-	-
Repayment of shares	(43,004)	-	-	(43,004)
At 31 March 2020	5,808,978	(507,205)	-	5,301,773

The Low Carbon Hub IPS Limited

Notes to the Society's Financial Statements For the Year Ended 31 March 2020

1. Entity information and statement of compliance with FRS 102

The Low Carbon Hub IPS is a 'not-for-profit' Industrial and Provident Society for the Benefit of the Community with registered number 31903R. The society is incorporated in England and Wales and has its registered office at Wood Centre For Innovation, Quarry Road, Headington, Oxford, OX3 8SB

These financial statements were prepared in accordance with Financial Reporting Standard 102 and in accordance with applicable accounting standards. The principal accounting policies adopted by the Society are set out in note 2.

2. Accounting Policies

Basis of preparation

The Society, has taken advantage of the Disclosure Exemption under FRS 102 and has not prepared its own statement of cash flows. The Financial Statements have been prepared under the historical cost convention using the following accounting policies:

Judgements

The main judgments made by the Directors in preparing the Financial Statements are the use life of tangible fixed assets and whether there has been any impairment in the value of fixed assets.

Income

The income shown in the Income and Expenditure Account represents amounts receivable during the year in respect of services provided by the Society.

Grants to fund the acquisition of tangible fixed assets are credited to deferred income upon receipt. They are then released to income (to match against the related depreciation charge) over the useful life of the asset funded by the grant. Grants to cover expenses are recognised in income in the period in which the expense is incurred.

Tangible Fixed Assets

Tangible Fixed Assets are stated at cost. Cost includes all costs incurred to bring assets into service, including legal fees, construction costs, development fees payable to The Low Carbon Hub CIC, and an allocation of financing costs.

Depreciation is calculated to write off the cost of an asset on a straight line basis over the expected useful life of the asset.

Solar PV Arrays

The useful life of solar PV arrays is estimated based on the duration of the FiT payments that are receivable in respect of that array, which are typically 20 years.

Inverters used on solar PV arrays are anticipated to have a shorter useful life than the arrays themselves. In recognition of this, these are separated out from the array they support and are depreciated over 10 years.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

No deferred tax asset is currently recognised in respect of any taxation losses.

Derivatives and Financial Instruments

Financial Instruments are classified and accounted for, where appropriate, according to the substance of the contractual arrangement as either financial assets, financial liabilities or equity instruments.

Forward contract derivatives are accounted for using hedge accounting as permitted under FRS 102. The fair value of the contracts is re-measured at the balance sheet date and gains or losses resulting from changes in the fair value of the derivative are recognised in other comprehensive income.

Hedge accounting will be discontinued when the derivative expires and at this point any cumulative gain or loss on the hedging instrument will be included in the carrying value of the Sandford Hydro Plant asset and transferred to the income statement over the asset's expected useful life.

Interest on members' equity

Interest on members' equity is recorded as an expense once the interest payment has been agreed by the board. All interest payments are made at the discretion of the board and therefore no accrual is made for interest payments not yet declared.

3. Interest Receivable

	2020	2019
	£	£
Sandford Hydro IPS Equity and Working Capital Loan Interest	96,428	101,285
Sandford Hydro Third Party Working Capital Funding interest	10,000	16,250
Sandford Hydro - 2018 interest no longer being charged	-	(108,189)
Bank Interest	394	-
	106,822	9,346

Loans have been made to Low Carbon Hub Sandford Hydro as detailed in note 18, Related Party Transactions.

Sandford hydro equity loan interest of £96,428 (2019: £96,428) was accrued as interest on the £1,674,177. (2019: £1,674,177) Sandford Hydro equity loan. Interest has been charged at a rate of 3% plus R.P.I for 2019/20, which is the equivalent of the members' interest rate of return.

4. Community Benefit Donations

In accordance with the Company's aims and objectives, surpluses from projects that have been for at least one year are passed to The Low Carbon Hub CIC in the form of a Community Benefit Donation. The Low Carbon Hub CIC uses these funds to support its activities within Oxfordshire focussed on improving energy efficiency, and on increasing the amount of energy produced from community-owned renewable sources.

During the year, £102,999 (2019: £76,201) was transferred to The Low Carbon Hub CIC as such a donation. This is recognised as an expense when utilised by The Low Carbon Hub CIC and any amounts advanced in excess of utilised amounts are included within prepayments.

5. Administration Costs

Administration costs are made up of the following:

	2020	2019
		£
Low Carbon Hub CIC (see related parties note)	100,866	88,509
Other Admin Fees	18,375	85,377
Other Operations & Maintenance Fees	26,409	39,572
	145,650	213,458

The audit fee for 2019/20 included in these accounts is £4,750 (2019: £4,600).

6. Taxation

A reconciliation of income tax applicable to accounting profit before tax at the statutory tax rates for the years ended 31 March 2020 and 31 March 2019 is as follows:

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK. The standard rate of corporation tax for the year ended 31 March 2020 was 19% (2019: 19%).

	2020	2019
	£	£
(Deficit) for the year before tax	(12,184)	(221,715)
At United Kingdom Tax rate of 19%	(2,315)	(42,126)
Creation of tax losses	(2,315)	42,126
Total reported on the income statement	-	-

7. Interest Payable

	2020	2019
	£	£
Members Interest Payments	270,350	182,240
Loan Interest	14,011	68,635
	284,361	250,875

For 2019-20 the Directors have declared interest payments on outstanding capital as follows:

	Interest rate	Interest Due
Solar PV 2014	5.74%	105,879
Solar PV 2016	5.20%	41,085
Sandford Hydro 2016	3.50%	51,491
ONCORE A 25 Year Pledge	4.20%	5,039
ONCORE A Withdrawable	3.00%	720
ONCORE B	4.20%	3,784
Community Energy Fund	4.00%	62,352
		270,350

£217,168 (2019: £182,240) has been accrued at the balance sheet date and it is expected that this will be paid out prior to the 2020 AGM.

£9,734 was expensed in 2019 in relation to amounts to Oncore shareholders for 2017-18 as part of the transfer of engagements. In 2019 £520 was accrued as other members interest outstanding from 2017-18.

During the development of the Solar PV array projects, interest on the loan from Oxford City Council formed part of the capital costs. In 2019/20 4 new sites was commissioned and £1,077 (2019: £599) of interest was capitalised. The balance of the continuing interest payments in relation to this loan and totalling £3,890 (2019: £53,453) has been expensed.

8. Intangible Fixed Assets

	Goodwill
	£
As at 1 April 2019	10,731
Arising in the year	-
As at 31 March 2020	10,731
Amortisation	
As at 1 April 2019	489
Amortisation in the year	489
As at 31 March 2020	978
Net book value at 31 March 2019	10,242
Net book value at 31 March 2020	9,753

Goodwill arose in relation to the transfer of engagements of ONCORE on 1st June 2018.

9. Tangible Fixed Assets

	Work in progress	Solar PV arrays	Inverters	Total
		£	£	£
Cost				
At 31 March 2019	12,360	3,801,813	259,350	4,073,523
Additions	174,850	184,844	12,262	371,956
Disposals	-	-	(10,832)	(10,832)
At 31 March 2020	187,210	3,986,657	260,780	4,434,647
Depreciation				
At 31 March 2019	-	595,811	84,978	680,789
Provided during the year	-	202,089	18,352	220,441
At 31 March 2020	-	797,900	103,330	901,230
Net book value				
At 31 March 2019	12,360	3,206,002	174,372	3,392,734
At 31 March 2020	187,210	3,188,757	157,450	3,533,417

A total of £26,640 (2019: £11,734) of financing costs were capitalised into Tangible Fixed Asset cost during the year. Of these costs, £1,077 (2019: £nil) related to interest on loan finance; £23,000 (2019: £nil) for fees in connection with finance arrangements and £2,563 (2019: £11,734) related to costs incurred in relation to new share offerings.

10. Fixed Asset Investments

	2020	2019
	£	£
Investment in subsidiaries	1	1
Loans to subsidiaries (note 18)	1,974,177	1,974,177
	1,974,178	1,974,178

The Society owns 100% of the share capital of Sandford Hydro Limited, a company incorporated in England and Wales and having its registered office at Wood Centre For Innovation, Quarry Road, Headington, Oxford, OX3 8SB.

11. Debtors

	2020	2019
	£	£
Trade Debtors	82,170	27,746
Accrued Income Electricity Sales & FIT	72,475	59,176
Prepayments and accrued income	256,507	204,518
VAT recoverable	56,598	16,254
Amounts owed from Low Carbon Hub C.I.C. (see note 18)	188,976	-
Amounts owed from Low Carbon Hub Sandford Hydro Limited	47,307	-
	704,033	307,694

12. Cash or cash equivalents

	2020 £	2019 £
Unrestricted cash	78,194	208,848
Restricted cash	115,614	87,794
	193,808	296,642

Management have set aside £115,614 as a fund to cover expected future inverter replacement requirements. This level of cash will be regularly reviewed.

13. Creditors: Amounts falling due within one year

	2020 £	2019 £
Community Land & Finance Loan	-	200,000
Oxford City Council Fish Pass Loan	100,000	100,000
Amounts owed to Low Carbon Hub Sandford Hydro Limited	-	54,997
Trade Creditors	146,023	29,836
Amounts due to The Low Carbon Hub CIC (See Note 18)	-	34,153
Accruals	230,427	205,543
Deferred income	105,528	-
Oxford City Council construction facility (see below)	531,438	-
	1,113,416	624,529

Community Land & Finance loan had an interest rate of 7.5% was repaid in the year ended 31 March 2020.

The Oxford City Council construction loan facility has a term of 364 days, at an interest rate of 5%. The term for each drawdown starts on the date of funds being released On 31st March, 2020 the loan was secured over four PV arrays with a combined net book value of £165,334 (2019: Nil). Post year end the Oxford City Council construction facility has been repaid in full and the security released.

14. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
	-	-

15. Share Equity

The equity held by shareholders at 31 March 2020 is as follows:

	2020 £	2019 £
Class A £1 Shares Solar PV 2014	1,662,558	1,693,001
Class A £1 Shares Solar PV 2016	784,411	790,100
Class B £1 Shares Solar PV 2013	147,749	150,000
Class A £1 Shares Sandford Hydro 2016	1,471,177	1,471,177
ONCORE - £1 Portfolio A 25 Year Pledge	119,987	123,209
ONCORE - £1 Portfolio A Withdrawable	24,010	24,010
ONCORE - £1 Portfolio B	90,101	91,500
Community Energy Fund £1 Shares	1,508,985	1,508,985
	5,808,978	5,851,982

Number of shares issued, allotted and fully paid

Share Class	Issued	Allotted	Fully Paid
Class A £1 Shares Solar PV 2014	1,662,558	1,662,558	1,662,558
Class A £1 Shares Solar PV 2016	784,411	784,411	784,411
Class B £1 Shares Solar PV 2013	147,749	147,749	147,749
Class A £1 Shares Sandford Hydro 2016	1,471,177	1,471,77	1,471,177
ONCORE - £1 Portfolio A 25 Year Pledge	119,987	119,987	119,987
ONCORE - £1 Portfolio A Withdrawable	24,010	24,010	24,010
ONCORE - £1 Portfolio B	90,101	90,101	90,101
Community Energy Fund £1 Shares	1,508,985	1,508,985	1,508,985

Number of individual shareholders by share class at 31st March 2020:

Share Class	2020	2019
Class B - Solar PV 2013	10	10
Class A - Solar PV 2014	345	345
Class A - Solar PV 2016	239	241
Class A - Sandford Hydro 2016	468	464
Class A - ONCORE - £1 Portfolio A 25 Year Pledge	63	63
Class A - ONCORE - £1 Portfolio A Withdrawable	13	13
Class A - ONCORE - £1 Portfolio B	36	36
Class A - Community Energy Fund £1 Shares	370	396

Rights, Preferences and Restrictions attaching to Share Classes

Class A shares are non-transferable. They can be withdrawn by agreement between the Directors and the member holding a class A share.

Class B shares can be transferred between family members, or to any trust established for the benefit of family members at any time. They can only be transferred outside of a family member by giving formal notice to the Directors of their wish to do so, and by following a prescribed process set out in section 9 of the Society's rules, which can be found online at <https://www.lowcarbonhub.org/wp-content/uploads/2020/07/Low-Carbon-Hub-IPS-Rules-2020.pdf>

Terms under which capital can be repaid to members for each share class are set out in section 7 of the Society's rules, which can be found online at <https://www.lowcarbonhub.org/wp-content/uploads/2020/07/Low-Carbon-Hub-IPS-Rules-2020.pdf>.

All members have one vote at General Meetings of the Society, regardless of how many shares they hold.

16. Board Members' Remuneration

No expenses were paid to any Board members in their capacity as Board members.

17. Capital Commitments

The Society had no authorised capital commitments as at 31 March 2020 (2019: £nil). Capital in respect of work in progress projects is only committed when lease contracts with Landlords have been signed.

18. Related Party Transactions

During the year the company made the following transactions with:

The Low Carbon Hub CIC:

£13,367 was paid in respect of Project Development Fees (2019: £9,795); £100,866 was paid in respect of Investor Registry Services, Administration and Operations & Maintenance costs (2019: £99,134); and £102,999 was included as a Community Benefit Donation, as described in Note 4 (2019: £76,201).

Finally, £23,000 (2019: £2,300) was paid to the Low Carbon Hub CIC as a finance arrangement fee for the continued access to the Oxford City Council Revolving Construction Loan fee and £nil (2019: £25,896) to reimburse it for costs incurred in preparation for new share offers during the year.

At the balance sheet date, £255,021 (2019: £nil) was owed by The Low Carbon Hub CIC and included in trade creditors was £18,247 (2019: £34,153) owed to The Low Carbon Hub CIC.

Sandford Hydro Limited

Loans have been made to Sandford Hydro as follows:

£200,000 at a rate of 7.5% which is the same terms that the IPS has secured the loan from CLF, Esmee Fairbairn Foundation and Big Society (2019: £200,000).

£100,000 at a rate of 1%. This is a supplemental loan from Oxford City Council and is being lent across on the same terms (2019: £100,000)

£1,674,177 (2019: £1,674,177) loan from the equity raised, This is at a rate of 3% plus R.P.I. to cover the investor returns.

At the balance sheet date the intercompany clearing account had a balance (owed) of £47,307 (2019: (£54,997)).

19. Subsequent events

Since the year end additional share capital of £1,547,744 has been raised