

Registration number: 07583663

The Low Carbon Hub C.I.C.

Annual Report and Financial Statements

for the Year Ended 31 March 2021

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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
Thomas Hoines
Alan Kitchen

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 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

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 (resigned 17th March 2021)

Thomas Hoines

Nina Alphey (resigned 17th October 2020)

Alan Kitchen (appointed 17th October 2020)

Our mission

The Low Carbon Hub is a social enterprise that's out to prove we can meet our energy needs in a way that's good for people and good for the planet.

Our role is to be a catalyst of change: driving innovation and creating an ecosystem that is able to develop and pilot practical, real-world solutions that will become models for other communities throughout the world.

Our ten year strategic objectives

We launched our 2020-2023 Business plan, in which we set our 10 year strategic goals for Oxfordshire's energy system.

- Didcot Power Station has been replaced by renewable energy
- No one has been left behind in that transformation
- We have an energy system that meets the energy needs of people in an equitable way
- Energy and the network are managed locally
- The Oxfordshire planning system is delivering 100,000 zero carbon homes and 80,000 zero carbon jobs

As the Low Carbon Hub, we expect our role to be necessary, but not sufficient to enable these goals to be achieved, and partnership and collaboration continues to be at the heart of our way of working.

Our closest partnership is with the Low Carbon Hub IPS Ltd. Our collaborative business model uses investment in the Low Carbon Hub IPS Ltd to grow a portfolio of community-owned renewable energy generation. This both provides the 'anchor load' for a local energy system, and generates the income to drive a powerful feedback loop which makes every pound invested go further. Further details, including our three year objectives are set out in our joint Business Plan.

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2021

Business development during 2020-21

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.

Community Benefit Report

Community benefit income 2020/21

Surpluses donated by the Low Carbon Hub IPS Ltd, provides a sustainable income stream to support community benefit activity. The CIC also receives income from the sale of electricity generated by two CIC-owned renewable energy installations in Eynsham.

In addition, we 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 2020/21 our work to foster the development of community-led solutions to tackle climate change was supported by the following programmes:

- Innovate UK funding for Project LEO (Local Energy Oxfordshire), a £40 million, multi- stakeholder partnership carrying out real-world energy system trials.
- European Regional Development Fund support of OxFutures, a partnership to boost Oxfordshire's low carbon economy.
- Department for Business, Energy & Industrial Strategy (BEIS) funding to develop Cosy Home Oxfordshire, a one-stop home retrofit service.
- BEIS funding to support the development and launch of Energy Solutions Oxfordshire, a partnership project creating a complete energy efficiency service for small and medium-sized enterprises (SMEs).
- Power to Change Next Generation Programme, an expert consortium, led by the Centre for Sustainable Energy, supporting a nationwide programme to develop new community-led energy business models.
- Westmill Solar Co-operative support has enabled our energy efficiency audits programme for schools and community buildings to continue.

We are most are grateful to all our funders for their support of our work.

The Low Carbon Hub C.I.C.

Directors' Report for the Year Ended 31 March 2021

Table 1: Community benefit income for 2020-21

	2021	2020
	£	£
Renewables generated income		
IPS Community benefit donation	61,260	38,200
IPS Community benefit deferred donation	-	64,799
CIC Eynsham village Solar PV income	1,983	1,710
Donations		
Unrestricted donations	1	50
Restricted donations	-	45,881
Programme Grants		
Innovate UK – Project LEO	2,077,813	507,188
European Regional Development Fund	132,358	396,355
BEIS – Building a market for retrofit	370,000	117,712
Service Contracts		
BEIS – BASEE	171,363	24,264
Power to Change – Next Generation	12,275	18,852
Total	£2,827,053	£1,215,011

Community benefit 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 and 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 2021

Table 2: Community benefit Expenditure for 2020-21*

	2021	2020
	£	£
Community grant programme	24,622	30,805
Local energy programme	3,304,400	1,375,047
Community benefit management	2,935	2,900
Grand Total	3,331,957	£1,408,752

* This includes CIC match funding where appropriate. For these reasons expenditure in the table above exceeds the total expenditure in the attached financial statements.

Community grants programme **£24,622**

Five 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 £4000 contribution towards the cost of running the grants programme including the dissemination of learning from these activities and general support of the CIC Community Group members.

IPS Community donation funded grants:

The IPS Community Benefit donation enables us to offer all our Low Carbon Hub CIC community group shareholders £500 a year to support activities that contribute to the Hub's aim: to cut Oxfordshire's carbon footprint and contribute to creating a decentralised and locally owned renewable energy system. This financial year, five groups took up the opportunity, with activities ranging from supporting energy efficiency projects in buildings in their community to advocacy work to increase awareness of, and support for, community action on climate change.

Small grants programme **£2,500**

Osney Lock Hydro: To continue last year's work to further improve public accessibility and on-site engagement. £500

Rose Hill and Iffley Low Carbon (RHILC): To create a short film on their tree-planting £500

Greener Henley: To install LED lighting in the local community centre £500

Henley Climate Emergency Working Group (HCEWG): To implement roof insulation in the Henley YMCA Community Hall. £500

West Oxford Community Renewables (WOCORe)
To support dormitories' energy efficiency at the Hill End Educational Centre £500

Large grants programme	£10,000
<p>Low Carbon Oxford North A continuation of our support for the Coalition for Healthy Streets and Active Travel project to tackle air pollution and encourage low carbon travel.</p> <p>Coalition of Community Groups funding to a collaboration of Low Carbon Hub community groups and the Oxfordshire CAG Network for a creative and exciting project, the '20 Stories of Climate Action' exhibition</p>	<p>£5,000</p> <p>£5,000</p>
Renewable generation grants	£7,592
<p>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.</p>	
Low Carbon Oxford North	£6,600
<p>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, plus interest from donated shares from these schemes.</p> <p>In 2020-21 the donation enabled LCON to fund a part time co-ordinator, Julia Patrick, for about eight hours a week during term time.</p> <ul style="list-style-type: none"> • Julia writes the monthly LCON newsletter and runs the educational events. • In 2020 and 2021 she set up online workshops on flying, sustainable fashion, and divestment and sustainable finance. • She co-organised the Act NOW workshops with other Oxford city-based low-carbon groups. • Organised a screening of the film 2040 with a panel discussion about what a fair and socially-just low-carbon future would look like in Oxford. • She keeps in touch with members, partners and the public via social media and other means, and when possible she organises our tree-planting and related activities. • She shot the video on the website, celebrating LCON's 10 year anniversary. 	
Eynsham GreenTEA	£ 992
<p>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 2020/21 these funds helped support a number of local activities carried out by the group, including:</p>	
Other grants	£1,000
<p>In response to Covid, we also made a £1,000 donation to support an initiative providing refurbished bikes, bike maintenance and tuition to key workers in Oxford</p>	

Local Energy Programme

£3,304,400

Our Local Energy Programme has two key themes. First, 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.

While Covid has created challenges for us and our partners, for example, making it hard to carry out energy audits, we have however been able to successfully deliver much of our community benefit activity. Activities this year have included:

Helpdesk service

£4,324

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 ongoing programmes. In 2020/21 we delivered 57 hours of support to 57 individuals and organisations. We've supported a wide range of organisations from technical advice on energy projects to low carbon community groups, to answering queries from students and researchers.

Next Generation

£12,275

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

£7,330

Thanks to generous support from Westmill Solar Co-operative we were able to offer 11 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

£1,130

We were delighted to work with the charity Ashden to sign more schools up to the LESS CO2 programme. However, due to the effects of the global COVID-19 pandemic the programme has been postponed until schools are able to host in person workshops or have the capacity to attend online workshops. Thanks to additional funding from Westmill Solar Co-operative, we are aiming to still offer schools that have signed up an in-depth energy efficiency audit, to give them personalised advice on improving the energy performance of their schools.

This was the second year of Project LEO (Local Energy Oxfordshire) an ambitious, wide-ranging and innovative trial, seeking to accelerate the UK's transition to a zero-carbon energy system. This collaborative project aims to provide the evidence needed to support the policy changes and investment needed to create the technological, financial and social conditions for successful systemic change.

Project LEO is:

- **Testing new market and flexibility models** – exploring new products and services that create new opportunities to benefit from the way we generate, store and use energy in our homes, organisations and communities
- **Advancing the capabilities of networks to manage smart, renewable and storage technologies** – learning what needs to happen to our electricity networks to make them ready for a change to a local energy system.
- **Facilitating local participation in the energy system** – ensuring that individuals, households and organisations are part of the energy transition

Through Project LEO we will demonstrate how a smart, local balanced energy system can bring social, economic and environmental benefits for all.

All four 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 £2,485,654.

The CIC provided £795,693 of match funding, of which £28,872 came from community benefit funding as a contribution towards staff salaries.

The £2,485,654 grant funding was distributed between the companies as follows:

The Low Carbon Hub CIC received £651,021 towards staff salaries and programme delivery costs.

The Low Carbon Hub IPS Limited received £290,063 in grant funding, which included £90,195 for the use of existing IPS solar assets in minimum viable system (mvs) research; £199,868 of grant funding towards the development of new plug-in project solar assets to demonstrate flexibility services this includes IPS contributions of £79,200 to early stage development works for Ray Valley Solar and £63,460 for the IPS's financial contributions to the optimisation works at Sandford Hydro

Sandford Hydro Limited received £74,011; with £69,961 being for the use of the Hydro in minimum viable system experiments and £4,050 towards the optimisation works at Sandford Hydro, which will enable us to explore the use of the river as a battery.

Ray Valley Solar Limited received £674,875 towards the initial construction works of a solar park at Arncott, Bicester, Oxfordshire. The commissioning of the project is anticipated to be early months of 2022.

OxFutures**£252,046**

This programme is funded by the European Regional Development Fund, with the aim of growing Oxfordshire's low carbon economy. After a successful initial three years of delivery, the Ministry of Housing Communities and Local Government (MHCLG) granted a further three-year extension from April 2020 to March 2023, with an additional £609,089 of funding. The programme is continuing its work, rolling out energy audits and follow-up funding to businesses and supporting companies innovating in the low carbon market.

During 2020/21 we distributed a total of £252,046 in grants to eighteen businesses. £31,057 of this was for energy efficiency work and £139,763 for innovation. There is a further £4,975.85 claimed but not yet transferred from MHCLG for the last quarter Jan-March 2021. The cost of delivering the programme over the financial year was £81,206.

Cosy Homes Oxfordshire**£370,000**

Cosy Homes Oxfordshire is a one-stop home retrofit service, making it simple for homeowners to make energy improvements – reducing carbon emissions and energy bills, whilst improving comfort

Cosy Homes Oxfordshire's pilot whole house home retrofit service was launched in 2019, a partnership between the Low Carbon Hub, RetrofitWorks and the National Energy Foundation, and funded by the Department for Business, Energy and Industrial Strategy (BEIS). This was the second and final year of grant funding.

In this second year of the pilot the focus has been on delivery: fully testing our process and completing our first two home retrofit projects – with 34 more in progress at year end. Throughout the pilot phase, we've seen higher demand from customers than anticipated, with 550 homeowners registered with the scheme at the end of the pilot phase in March 2021. We're grateful for the support of twelve of our CIC Community Group Members who have been promoting the scheme in their communities as Community Advocate Groups.

However, despite the demand from homeowners, we have encountered issues with delivering home retrofit in Oxfordshire. We've found the largest barrier to be the readiness of the supply chain for retrofit, particularly generalist builders and contractors who are already extremely busy and haven't seen the need to engage with the retrofit market. This has made matching up our customers with approved contractors to deliver the work difficult. We've made positive steps forward, but it's clear there's still much to be done if we are to retrofit 27 million UK homes and meet carbon emission reduction targets. Read more about this, and other key learnings from the two-year pilot, in the Learnings and Impact Report available on the Cosy Homes Oxfordshire website.

We're thrilled that Cosy Homes Oxfordshire will be continuing beyond its two-year, grant-funded pilot phase. We've proved that homeowner demand for retrofit is there, and now we must prove that our process works efficiently and that our business model is financially sustainable without grant-funding, to continue delivering this crucial retrofit work. The Low Carbon Hub will be continuing the project at risk, alongside RetrofitWorks

Energy Solutions Oxfordshire**£171,363**

Energy Solutions Oxfordshire has been established to provide a one-stop-shop to give Oxfordshire businesses and organisations the knowledge and means to implement low carbon measures. ESOx has been fully funded by the Business Energy and Industrial Strategy department, as part of their Boosting Access to SME Energy Efficiency programme, which has no match-funding requirement. £127,576 has been spent on salaries to develop and test the business model and build a customer pipeline of potential clients. The development of a website and marketing materials, including case study videos and two animations has cost £27,267. A final £16,520 covered travel, other programme delivery costs and contingencies such as training.

The Peoples Power Station**£279**

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**£2,935**

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 October 2021 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 2021, 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 2021 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.

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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:.....

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The Low Carbon Hub C.I.C.

Profit and Loss Account for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Turnover		1,564,835	1,054,994
Cost of sales		(591,135)	(93,291)
Gross profit		973,700	961,703
Administrative expenses		(1,061,211)	(984,501)
Other Operating Income		2,982	-
Operating (loss)/profit		(84,529)	(22,798)
(Loss)/profit before tax	4	(84,529)	(22,798)
Taxation		-	4,133
(Loss)/profit for the financial year		(84,529)	(18,665)

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The Low Carbon Hub C.I.C.
(Registration number: 07583663)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	23,872	26,654
Intangible assets			
Development Expenditure	6	84,840	-
Current assets			
Stocks		15,957	22,512
Debtors	7	1,293,840	695,784
Cash at bank and in hand		81,808	138,294
		1,391,605	856,590
Creditors: Amounts falling due within one year	8	(1,464,797)	(761,253)
Net current assets		(73,192)	95,337
Total assets less current liabilities		35,520	121,991
Provisions for liabilities		(1,934)	(3,881)
Net assets		33,586	118,110
Capital and reserves			
Called up share capital		38	33
Profit and loss account		33,548	118,077
Total equity		33,586	118,110

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 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 2021

	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 April 2020	33	118,077	118,110
Loss for the year	-	(84,529)	(84,529)
Total comprehensive income	-	(84,529)	(84,529)
New share capital subscribed	7	-	7
Share capital withdrawn	(2)	-	(2)
At 31 March 2021	38	33,548	33,586

	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 April 2019	32	136,742	136,774
Profit for the year	-	(18,665)	(18,665)
Total comprehensive income	-	(18,665)	(18,665)
Other share capital movements	1	-	1
At 31 March 2020	33	118,077	118,110

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The Low Carbon Hub C.I.C.

Notes to the Financial Statements for the Year Ended 31 March 2021

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 2021

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)

	2021	2020
	£	£
Depreciation expense	2,782	2,810

The Low Carbon Hub C.I.C.

Notes to the Financial Statements for the Year Ended 31 March 2021

5 Tangible assets

	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost or valuation			
At 1 April 2020	24,834	39,706	64,540
Additions	-	-	-
Disposals	-	-	-
At 31 March 2021	24,834	39,706	64,540
Depreciation			
At 1 April 2020	21,998	15,888	37,886
Charge for the year	797	1,985	2,782
Eliminated on disposal	-	-	-
At 31 March 2021	22,795	17,873	40,668
Carrying amount			
At 31 March 2021	2,039	21,833	23,872
At 31 March 2020	2,836	23,818	26,654

6 Intangible assets

	2021 £	2020 £
Development Costs	84,840	-

The development costs relate to People's Power Station 2.0 that became operational in summer of 2021. This is a Distributed Energy Resources Coordination System where it is expected local, small-scale renewable energy assets can be aggregated and traded into a new local energy market.

7 Debtors

	2021 £	2020 £
Trade debtors	1,060,753	28,822
Prepayments	47,825	11,840
Other debtors	185,262	655,122
	1,293,840	695,784

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Notes to the Financial Statements for the Year Ended 31 March 2021

8 Creditors

Creditors: amounts falling due within one year

	2021 £	2020 £
Due within one year		
Trade creditors	105,097	99,570
Amounts owed to Low Carbon Hub IPS Ltd and Sandford Hydro Ltd	1,217,214	342,216
Other creditors	142,486	319,467
	<u>1,464,797</u>	<u>761,253</u>

9 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 (2020 - £27,700). 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 2021

	2021 £	2020 £
Turnover (analysed below)	1,564,835	1,054,994
Cost of sales (analysed below)	(591,135)	(93,291)
Gross profit	973,700	961,703
Gross profit (%)	62.22%	91.16%
Administrative expenses		
Employment costs (analysed below)	(658,167)	(581,683)
Establishment costs (analysed below)	(50,850)	(46,707)
General administrative expenses (analysed below)	(348,809)	(352,772)
Finance charges (analysed below)	(603)	(529)
Depreciation costs (analysed below)	(2,782)	(2,810)
	(1,061,211)	(984,501)
Other Operating Income	2,982	-
Operating (loss)/profit	(84,529)	(22,798)
(Loss)/profit before tax	(84,529)	(22,798)

This page does not form part of the statutory financial statements.

The Low Carbon Hub C.I.C.

Detailed Profit and Loss Account for the Year Ended 31 March 2021

	2021 £	2020 £
Turnover		
Sale of goods, UK	435,105	339,673
Interest received	104	236
Grants and subsidies	1,129,626	715,085
	1,564,835	1,054,994
Cost of sales		
Direct costs	591,135	93,291
Employment costs		
Wages and salaries (excluding directors)	564,897	504,508
Staff NIC (Employers)	54,244	45,421
Staff pensions (Defined contribution)	37,724	31,489
Staff training	1,302	265
	658,167	581,683
Establishment costs		
Rent	43,777	39,066
Rates	17	16
Insurance	7,056	7,300
Repairs and maintenance	-	325
	50,850	46,707
General administrative expenses		
Telephone and fax	441	1,253
Office expenses	1,042	5,725
Computer software and maintenance costs	23,801	22,374
Printing, postage and stationery	6,401	5,966
Trade subscriptions	2,596	820
Charitable donations	212,970	201,107
Sundry expenses	10,315	12,279
Cleaning	-	1,131
Community engagement and marketing	82,786	83,792
Travel and subsistence	682	9,360
Accountancy fees	6,303	6,539
Legal and professional fees	1,472	2,426
	348,809	352,772
Finance charges		
Bank charges	603	529
Depreciation costs		
Depreciation of plant and machinery (owned)	2,782	2,810

The Low Carbon Hub C.I.C.

Detailed Profit and Loss Account for the Year Ended 31 March 2021

	2021 £	2020 £
Other Operating Income		
Other Operating Income	2,982	-

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