LOW CARBON HUB ANNUAL REPORT AND ACCOUNTS

2025/26

We generate local clean energy, deliver community benefit, and develop practical solutions that show how a fairer, smarter energy system can work – now, and as it evolves.

OUR **PURPOSE**

We are 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 purpose is rooted in creating a sustainable energy future that works for everyone. We are here to be a catalyst for change: to experiment, to innovate, and to lead by example, demonstrating practical, community-led solutions to some of the toughest challenges at the edge of the energy grid.

We do this by developing community-owned renewable energy projects across Oxfordshire that produce clean electricity and generate long-term income. This income powers innovation. It funds our work to break down the barriers to achieving a fairer energy system: from overcoming obstacles to electrification, to improving the energy efficiency of our homes, businesses and schools, and ensuring no communities are left behind.

Our model is designed to be collaborative and inclusive. We raise capital for our projects through community energy share offers, as well as loans and grants, enabling our host organisations to benefit from renewable energy with no upfront cost to them. They benefit from access to cheaper, green electricity, reduced carbon emissions and a leading role in local sustainability.

All of our surpluses are reinvested into our Impact Programme, which explores new approaches, business models and systems that re-imagine how energy is used and managed at the grid edge.

We work with a network of partners, including communities, local authorities, businesses, universities and energy system operators, to build a zero-carbon energy system that benefits everyone.

For us, innovation and meaningful collaboration are at the heart of our purpose: to support a fair, community-centred transition to a zero-carbon energy future.

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STRATEGIC REPORT

Steve Drummond
Chair of The Low Carbon Hub IPS Limited

Message from the Chairman

Fifteen years, 50 low-carbon community groups, 50+ clean energy assets and thirty years of secured community benefit: it's a great start! The Low Carbon Hub was founded on the conviction that the key to creating a disaggregated, clean energy future, is community. Renewable energy can be harvested anywhere but its full benefits cannot be captured by individuals acting alone. So it takes connectivity and coordination and planning, as well as technical innovation. Without community the data is poorer, the solutions are poorer and the outcomes are poorer for everybody. As the timeline on page 9 says, behind every number is a decision, a project, a community that showed up. Thank you.

Looking back over the Hub's first 15 years highlights for me how the Low Carbon Hub has continually changed and re-invented itself to meet the ever-changing political and economic environment. The changes continue. Rooftop solar is a commodity now delivered by mainstream companies (huzzah!) and our niche for further expanding our generation portfolio lies elsewhere. Ray Valley Solar and its innovative use of bi-facial panels has now vastly expanded the community benefit income that we generate, and we are pursuing further ground-mount solar opportunities to generate even more. The success of solar generation more widely in the UK also means that the structure of the electricity market is changing, so to protect our future revenues and build more opportunity to create value, we are installing the UK's first community-owned, co-located solar battery at Ray Valley. It is a powerful example of the next phase in community energy and once again demonstrates Low Carbon Hub's position at the forefront of innovation.

Your investment in clean energy over the last 15 years means the Low Carbon Hub is now financially independent (with careful management!) and can focus on developing pathways for the UK's low-carbon future without distraction. Some of the ways we are doing this are set out in the pages of this report. Now that renewable energy generation is mainstream, it is its dissemination and uses that are the real work of the Hub. Looking ahead, we are developing a new strategic plan that reflects the rapidly changing landscape, in policy, technology and local government. We look forward to sharing that with you later this year.

All this happens because of your investment and also the fantastic team at the Hub. I am proud to serve with all of them. Here there are changes too. After three years of dedicated service, Tim Jones has retired as Renewables Portfolio Director. He brought expertise and real commitment to the Hub, consolidated our generation portfolio and built a strong operations team – so thank you Tim! I am also delighted to welcome Neil Lawson and Bernie Jones as new Non-Executive Directors, and Tony Thorpe-Morris in his new role as Commercial Director. Each brings skills and perspectives and will make the Hub ever more effective in delivering its mission.

Thank you, as always, to our members, investors, partners and supporters. It is your commitment that makes this work possible.

Barbara Hammond, MBE
Chief Executive Officer of
The Low Carbon Hub IPS Limited

CEO's letter

Much of our 2025-26 year has been about policy, both responding to a raft of new Government energy and net zero policy and preparing our response to really major changes proposed to Oxfordshire's local government landscape. Together, these make for such significant changes to our operating environment that we have decided to review and revise our 10-year strategy before we enter our next business planning period.

As part of communicating new policy and helping to shape our thinking in conversation with our community shareholders, we have held a series of webinars through the year. We hope you have enjoyed them as much as we have! We will continue to run these in the coming financial year as major policies like the Local Power Plan and Local Government Reorganisation become clearer.

Of all the excellent work over the past year, I'd like to pick out three things for celebration:

- Firstly, we won and have been preparing to deliver a new innovation project, Pathways to 2050, which will help us understand how to use energy system data to plan and coordinate action at the Grid Edge, following on from our learning in Project LEO. Particularly exciting is that we have been doing the preparatory work for a new Community Action Plan for Zero Carbon Energy (CAPZero) for the Cowley Local Primary Substation Area. This work has included a lot of thinking and talking to local actors about how to work best, and have the best impact, in communities that are among the most deprived in Europe. We have a lot of learning still to do, but we are determined to understand how best we can tackle fuel poverty in a truly inclusive way for the long term.
- Secondly, we launched our own Green Fund, providing the match funding to help SMEs implement the actions recommended by ESOx energy assessments. It has been very well-received and the take up has been great, showing how important it is to combine a plan with access to funding if you want action to happen.
- Thirdly, we are at the cutting edge of energy system innovation again through our behind-the-meter battery project at Ray Valley Solar; the first fully co-located battery behind the meter at a solar farm in the UK. Many of you will know that we launched our share offer for the battery in this financial year and closed it in June having reached almost £1 million of investment, almost double our original target.

As we move into our 2026-27 financial year, we will be looking to understand how we can work with Great British Energy, our new local authorities, and our great network of community shareholders to produce a 'deep' rather than a 'surface' approach to shared ownership and community benefit for projects in Oxfordshire and whatever the 'beyond' of Local Government Reorganisation means for us all.

OUR **IMPACT** 2025/26

We measure the impact we achieve against four key metrics:
Planet, Prosperity, People, and Perception.

Planet

We reduce Oxfordshire's carbon emissions by increasing renewable energy generation, reducing energy demand and supporting more efficient use of our local electricity network.

Our programmes support thousands of residents, organisations and communities across Oxfordshire to get started on their journey to net zero.

Our portfolio

55
renewable energy installations

24.2
MW installed capacity

26
GWh generated

5,083
tonnes of CO_2 saved

64
kWh of battery storage

Plans to net zero

46
Whole House Plans carried out

109
Energy efficiency assessments carried out

1
CAPZero report delivered

Prosperity

Our portfolio of community-owned renewables provides the organisations that host them with discounted electricity and a cost-effective way to reduce their carbon footprint. Together they form the Low Carbon Hub's engine – producing green electricity to power Oxfordshire, and a sustainable income stream to help transform the way we generate, use and store energy in our communities to the benefit of people, and the planet.

£10,140,361
Total investment by our members

£690,173
Surpluses spent on community benefit

£503,805
Interest to investors

£144,431
Savings on bills for our hosts

People

Collaboration is at the heart of everything we do – from our community groups, host organisations, programme partners, and funders, to everyone who subscribes to our newsletters and helps spread the word on social media. Together they form an incredible ecosystem that supports the transformation towards a zero-carbon energy system.

1,767
Investor Members who help finance the upfront costs of our projects and whose investments bring energy into community ownership

14,091
Network of supporters

50
Low carbon community groups in our network who share our aims

101
People from 44 organisations working in partnership with Low Carbon Hub

46
Hosts for rooftop solar

Perception

We are committed to developing sustainable energy for community benefit. We aim to be a transparent and trusted partner, sharing knowledge and expertise openly.

To ensure we meet this commitment, we survey our stakeholders – host partners, community members, investor members, project partners, and others – annually to see how we're doing and how we can improve.

This summary is based on 52 responses to our "How are we doing?" stakeholder survey, Spring 2026.

98%
perceive Low Carbon Hub to be quite or highly committed to the creation of a zero-carbon energy system that's good for people and good for the planet.

94%
report quite high or high trust in Low Carbon Hub to deliver community centred solutions that support the creation of a zero-carbon energy system.

75%
report we had some or a significant impact on their knowledge of the changes we can make about the way we use, store or generate energy in our homes, organisations and community to support the transition to a low carbon energy system.

71%
report we made them more positive about the potential of community-centred solutions to energy issues.

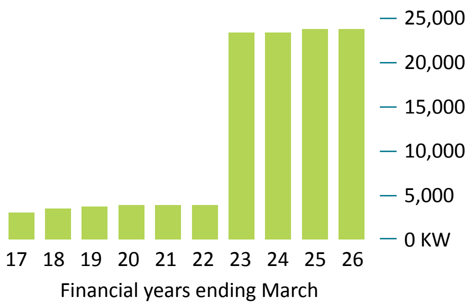
73%
report we have contributed to them taking some or substantial action on energy or environmental issues.

15 YEARS OF COMMUNITY ENERGY

This year, Low Carbon Hub turns 15. With the invaluable support of our investor members, community groups, local authority partners and network of supporters, we've grown into a thriving Community Benefit Society, generating clean power for Oxfordshire, channelling community benefit funding back into the places we serve, and pioneering new approaches to the energy transition.

Below is a snapshot of what 15 years of community energy looks like – in numbers and in milestones.

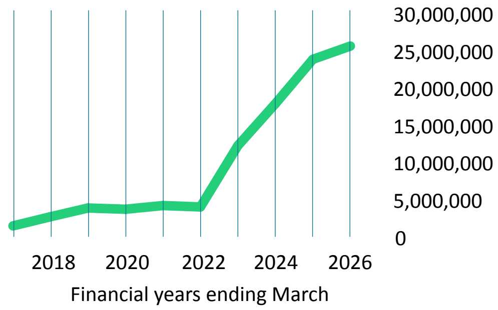
Installed capacity kW



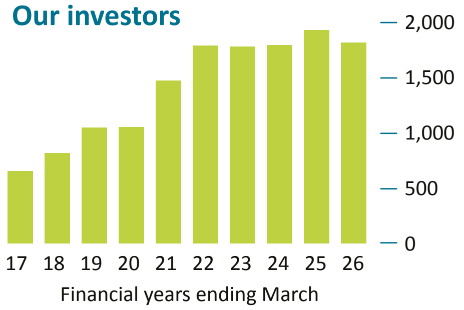
£3,359,348
Interest to investors

£888,431
Savings on bills for our hosts

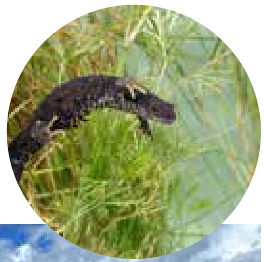
Actual generation kWh




Our investors




Behind every number is a decision, a project, a community that showed up. Here are some milestones from the past 15 years.



2011 Low Carbon Hub founded with three people.

2012 **First community solar project**: panels on Eynsham Village Hall and St Peter's Church, with community group GreenTEA .

2013 Twenty community groups join as shareholders. **First share offer** funds solar panels on the Oxford Bus Company roof.

2014 £1.5 million raised in second share offer, funding solar on school roofs across Oxfordshire.

2016 **Ashden Award for Sustainable Communities**. And £3.5 million raised across two share offers.

2017 **Sandford Hydro**, the largest community-owned hydro on the Thames, begins generating clean energy. **OxFutures** programme launches, supporting businesses with energy efficiency.

2019 **Cosy Homes Oxfordshire** co-founded. **Project LEO** launches – a £40 million collaborative project to accelerate the transition to net zero.

2020 **Energy Solutions Oxfordshire** co-founded, supporting businesses to cut energy use.

2021 Investment in community-owned renewables hits £10 million.

2022 **Ray Valley Solar** starts generating clean electricity as the UK's largest community-owned solar park.

With energy bills spiralling, we publish our **Warmer Winter Checklist** to help households through the crisis.

2023 The £4.2 million **OxFutures** project comes to an end, leaving a legacy of carbon saved, businesses supported and innovation funded.

CAPZero launches, helping a cluster of communities in West Oxfordshire lead the way towards a more sustainable energy future.

2025 We launch the **Make Botley West Fair** petition, calling for meaningful community benefit from one of the UK's largest proposed solar developments.

2026 **Battery storage** announced for Ray Valley Solar – the first community-owned battery co-located with a community-owned solar park in the UK (see page 17).

OUR HEADLINES

At Low Carbon Hub, we remain committed to leading the transition to a sustainable, fair and inclusive energy future. This section highlights our progress in the last year, our ongoing work and touches on plans for the future.

Alongside managing a portfolio of 50+ clean energy assets, here's what we delivered this year:

Energy Solutions Oxfordshire (ESOx) – continues to support SMEs to reduce energy demand, cut bills and improve resilience. The re-launched Green Fund is having significant impact, helping organisations fund energy-saving measures and unlock match funding.

Make Botley West Fair – we launched our first ever petition in April 2025, calling for a fair share of revenue from one of the UK's largest proposed solar developments to be invested in local communities.

Community Energy Insights – our new webinar series is bringing together experts to explore the role community energy can play in the energy transition.

Community Action Plan for Zero-Carbon Energy (CAPZero) – completed its second year of implementation, reaching some important milestones.

Cowley Local – the next stage of CAPZero is developing a zero-carbon energy plan for a new geography in the Cowley Local Primary Substation Area.

Community Grants Fund – continues to provide funding to our community group network members, supporting carbon-saving activity in neighbourhoods across Oxfordshire.

Ray Valley Solar battery – this year we announced plans to install the UK's first community-owned, co-located solar battery at Ray Valley Solar, launching a new community share offer in March 2026 to fund this landmark project.

Above: Campaign leaflet and our presentation to Blenheim Palace.

Planning the next steps

Looking ahead, we will be renewing our Strategy and Business Plans to reflect changes in the external policy environment and to respond to the Local Government Reorganisation that Oxfordshire is currently going through. We look forward to sharing this with our members and supporters later in 2026.

Read more about our highlights on the following pages.

Campaigners gather outside the King's Centre in Oxford during public hearings on Botley West

The Make Botley West Fair campaign

Botley West Solar Farm is one of the UK's largest proposed solar developments – an 840MW project on mostly Blenheim Estate land that would generate clean electricity for around 330,000 homes, and significant profits for its developers. But with no legal requirement for developers to offer meaningful community benefit, communities hosting this infrastructure risked receiving very little in return.

Low Carbon Hub doesn't usually run campaigns. But this felt too important to stay silent. In April 2025 we launched Make Botley West Fair - our first ever petition – calling for 2% of project revenue to be invested directly in local communities.

Our conservative estimates suggest this would equate to approximately £840,000 annually, compared to the £200,000 originally on offer. We shared an open letter with Blenheim Estate and spoke at the Open Floor Hearing. By June 2025, our petition had reached 1,000 signatures, and the community benefit offer more than doubled to £440,000 per year – a significant increase, but one we believe still falls short of what is fair and proportionate.

We continue to take our work to a national stage by submitting a response to the government's DESNZ working paper on community benefits and shared ownership for low carbon energy infrastructure – a consultation that could signify a huge turning point for community energy across the country.

What happens at Botley West could set the standard for other large-scale solar projects. We will keep pushing – locally and nationally – because the energy transition must work for communities, not just investors.

> "Botley West has the potential to set the benchmark for meaningful community benefit for the host communities of large solar installations."
>
> Sarah Couch, low carbon community group GreenTEA

“I'm so pleased we made the change, especially to the lighting; it's much better for our team as well as the environment.”

Alison Hargreaves, Guides for Brides

Energy Solutions Oxfordshire

During 2025/26 Energy Solutions Oxfordshire (ESOx) significantly scaled its work bringing clarity and confidence to energy efficiency and low carbon decision-making for those occupying non-domestic buildings.

Our independent energy expert partners from the EIE team at Oxford Brookes visited 109 organisations during the year, providing tailored energy saving advice and easy-to-understand reports designed to simplify decisions and prompt action.

We matched £189,000 of our own community benefit funding with £178,000 of external funding from four Oxfordshire district councils and from Westmill Solar Cooperative, supporting both energy assessments and follow-up capital grants. Our four quarterly Green Fund Boards awarded 25 organisations a total of £126,000 in grants, unlocking more than half a million pounds worth of low carbon projects (£539,000). Those funded include SME businesses (49%), charities (20%) and community buildings (31%).

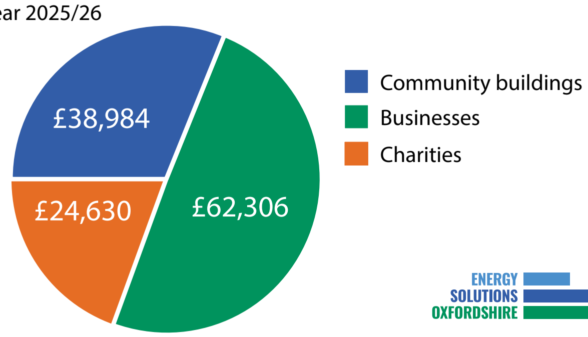
The 109 reports identified potential energy saving of 3,217 MWh, equivalent to 739 tonnes of CO_2. In addition, our service has helped seven of the county’s schools identify a further 105 tonnes of CO_2 of potential savings.

Success Story

We awarded **Florence Park Community Centre** a £9,200 Green Fund grant, after carrying out an energy assessment. This unlocked a further £27,600 in match funding to install solar panels, insulation, heating and hot water controls and draught proofing. As a result, this much-loved community building will be warmer, more comfortable and cheaper to run for years to come.

Successful Green Fund Applicants

Year 2025/26



Left, Danny Chivers, Treasurer of Florence Park Community Centre, with the solar panels installed thanks to the Energy Solutions Oxfordshire Green Fund.

“It was well paced, with a very well-handled Q&A to give time for as many questions as possible. Thank you!”

Attendee feedback

Community energy insights

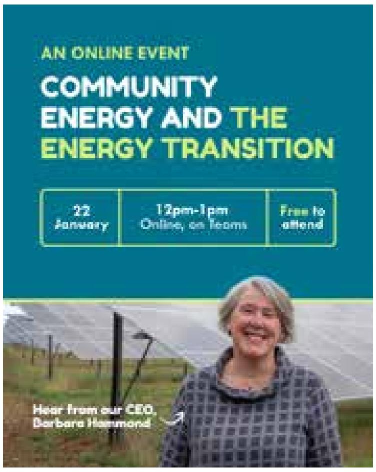
In December 2025, Low Carbon Hub launched Community Energy Insights, a new programme of free lunchtime webinars designed to keep investors, community groups, local authority partners and energy enthusiasts at the forefront of the UK's transition to clean energy.

Running throughout 2026, the series brings together experts from across the sector to explore the policy changes, innovations and practical challenges shaping community energy today. Each session is designed to be accessible and jargon-free, with space for questions and shared learning.

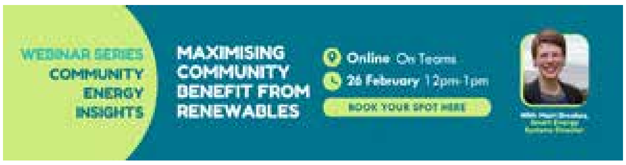
We’ve already held sessions on: community energy and the energy transition, maximising community benefit, and battery storage and renewables, with further webinars planned across the year. Each session attracted well over 100 attendees, with recordings reaching an even wider audience.

The series reflects our commitment to transparency and knowledge-sharing: ensuring that the people and organisations who care about a fair energy transition have the insight and confidence to engage with it.

Whether you're a long-standing investor member or new to community energy, Community Energy Insights offers a regular opportunity to learn, connect and stay informed.



Scan/click to watch recordings of the webinars



> "I am pleased to support an organisation which I consider to be essential for the future, and starting something which will benefit my children and grand children."
>
> Emma, resident

CAPZero: From ambition to impact

Now in its second year, the Community Action Plan for Zero-Carbon Energy (CAPZero) programme continues to demonstrate what's possible when communities, businesses and local organisations work together toward a low-carbon future.

The project has unlocked £130,000 of investment in carbon-cutting measures for local businesses and organisations through the Energy Solutions Oxfordshire (ESOx) Green Fund and Sustainable Tourism Grant. ESOx assessments identified 50 tonnes of potential carbon savings per year across 14 businesses – tangible evidence of the programme's practical impact.

Community partnerships remain at the heart of CAPZero. Local community group GreenTEA is opening green homes to visitors this year, inspired and supported by Low Carbon Oxford North and a Low Carbon Hub community grant.

A guest newsletter written for the Eynsham Partnership Academy Trust reached 2,000 local families. And community transport group First & Last Mile, another Low Carbon Hub community group member, bounced back from near closure to launch a new Saturday service.

One of the year's most significant milestones was the adoption of Salt Cross's Net-Zero Area Action Plan in February 2026. Following a hard-won campaign and legal victory that restored West Oxfordshire District Council's ambitious net-zero requirements after central government had overturned them, the plan was officially adopted – meaning all buildings at Salt Cross must achieve net-zero operational carbon on-site.

None of this would be possible without the ongoing commitment of our community partners: GreenTEA, Freeland Energy Group, Go Green Hanborough, First & Last Mile, parish councillors, local authority leaders, and local businesses across the area.

Above is the Y2 review meeting in South Leigh. Below: Energy assessment underway. 14 assessments were delivered for free in the CAPZero area by Energy Solutions Oxfordshire this year, identifying 50 tonnes of potential carbon savings. Right: Poster calling for entry to art competition, and below one of two winning entries.

“You are doing important work. Keep it up - and more of the same please!”

Anon

A new net-zero action plan for Cowley Local

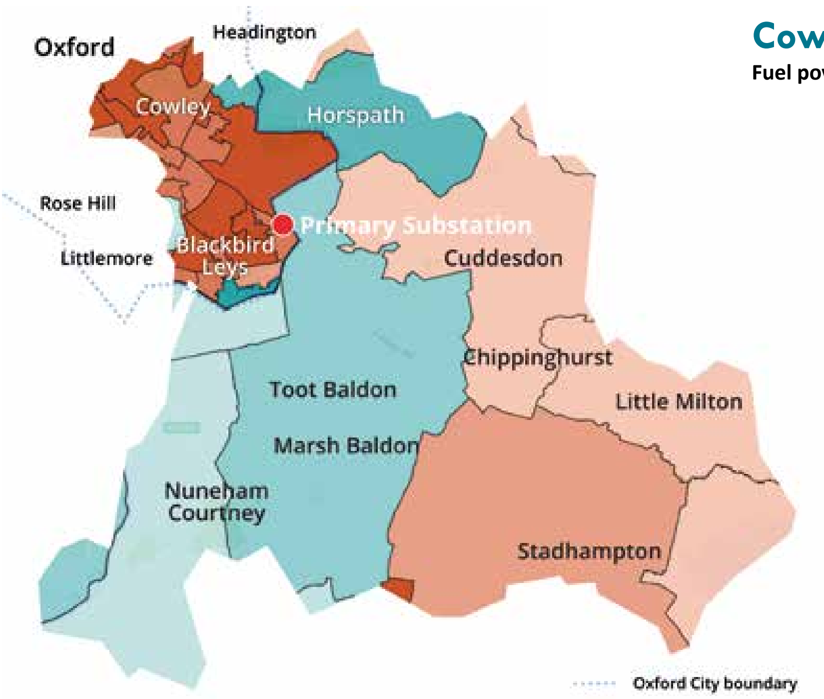
Low Carbon Hub is extending its community-based energy planning approach, first developed for the Eynsham Primary Substation Area (PSA), for a quite different context.

The Cowley PSA is one of Oxfordshire’s most complex and contrasting places. It includes the two most deprived neighbourhoods in the county, both within the 10% most deprived nationally, alongside more affluent rural communities. It is also home to BMW, Unipart, Oxford Business Park Campus, Oxford Bus Company and another 2,700 registered business meters with high and often specialised energy demands.

This complexity makes Cowley Local a vital test of what a just and fair energy transition looks like in practice. With no pre-existing community energy groups, we have begun by building trust with community leaders and designing approaches with them.

Under the aegis of Zero Carbon Oxfordshire Partnership (ZCOP), we have brought together representatives from across the area to develop a shared understanding of the energy dynamics for the area. We are now combining that community insight with detailed analysis of current and future energy requirements. The result will be a programme of work grounded in equity, fairness and transparency.

Photo left: Susan Price, trustee of Blackbird Leys Adventure Playground, welcoming an energy assessment for the much-loved community space. Below: The Blackbird Leys Adventure Playground, serving local families since 1977.



Cowley PSA

Fuel poverty

Proportion of households fuel poor (%)

4.7
5.7
6.6
7.3
8.2
9.5
12.2
22.8

"Thank you for hosting such an informative and connective thermal imaging workshop. It's always inspiring meeting with others working in this space."

Caoilfhionn, 21st Century Thame, following thermal image training workshop

Putting community benefit to work

Our Community Grants programme is one of the most effective and rewarding ways to share the community benefit generated from our renewable energy installations, including Ray Valley Solar and our rooftop solar projects, and to support community groups in driving the energy transition.

This has been an outstanding year for the Community Grants Fund, with the highest number of grants awarded since the programme began.

We were delighted to award £31,500 across five large grants and 15 small grants, supporting projects that will generate renewable energy, make buildings and homes more energy efficient, and create sustainable transport solutions.

One focus this year was increasing the take-up of large grants. **We held events where experienced community groups shared knowledge of their own projects and inspired others to follow suit.** One stand-out example was Low Carbon Oxford North supporting Eynsham GreenTEA to apply for a large grant to replicate the Energy Saving Homes and Housewarming model in the CAPZero area. (Photo above).

Thermal imaging has gone from strength to strength, with growing demand for our camera training sessions. **Following feedback that groups wanted more hands-on training**, we found a successful model in a community-led step-by-step training workshop covering everything from turning the camera on to practical experimenting on nearby houses.

Attendees shared tips and techniques for evaluating the images and 12 community groups are now planning their own thermal imaging campaigns. We also designed a new leaflet linking residents to our new 'Thermal imaging next steps' webpage, making it easier to act on what they discover, as well as other how-to materials for organisers and participants.

See pages 18 and 19 for more information about the grants we awarded

“I chose to invest in the Low Carbon Hub because I wanted my money to be part of something really constructive, important, local and exciting. It’s lovely to be part of something like this.”

Karen, Investor Member

Scan/click QR code for campaign video

Solar 24/7: The UK's first community-owned solar battery

Ray Valley Solar is one of the UK's largest community-owned solar parks, generating enough clean electricity to power 7,000 homes a year.

But until now, not all of that energy could be put to work. On the sunniest days, the site produces more power than the grid can absorb, and some clean energy is simply lost. Meanwhile, electricity exported during the day earns less than it would at peak evening times, when demand is highest.

This year, we made the decision to change that. After careful development and planning, we announced that we will be installing a 3 MW / 12 MWh battery storage system at Ray Valley Solar – the UK's first community-owned, co-located solar battery. Housed in three containers on the existing site, it will store surplus solar energy and release it when it's needed most, maximising the value and impact of every unit generated.

To fund the project, we opened a community share offer in March 2026 – inviting our members and supporters to invest in the Community Energy Fund to support this landmark next step for Ray Valley Solar. With a target interest rate of 5% and a minimum investment of £100, this is an opportunity to be part of this pioneering community energy project. The battery project has also been supported by short-term finance through the We Have the POWER project.

To spread the word, we launched a full marketing campaign – with adverts appearing on bus shelters and the backs of buses in targeted areas of Oxford, alongside social media, press coverage, and a direct letter to our existing investors. It was the most visible we've ever been on the high street.

The impact goes beyond the grid. Ray Valley Solar is already projected to generate around £13 million in community benefit over its lifetime. Adding battery storage is expected to deliver over £1 million more – supporting homes, schools, businesses and community groups across Oxfordshire for years to come.

Find out more and invest at lowcarbonhub.org/**solar-battery**

Invest from £100

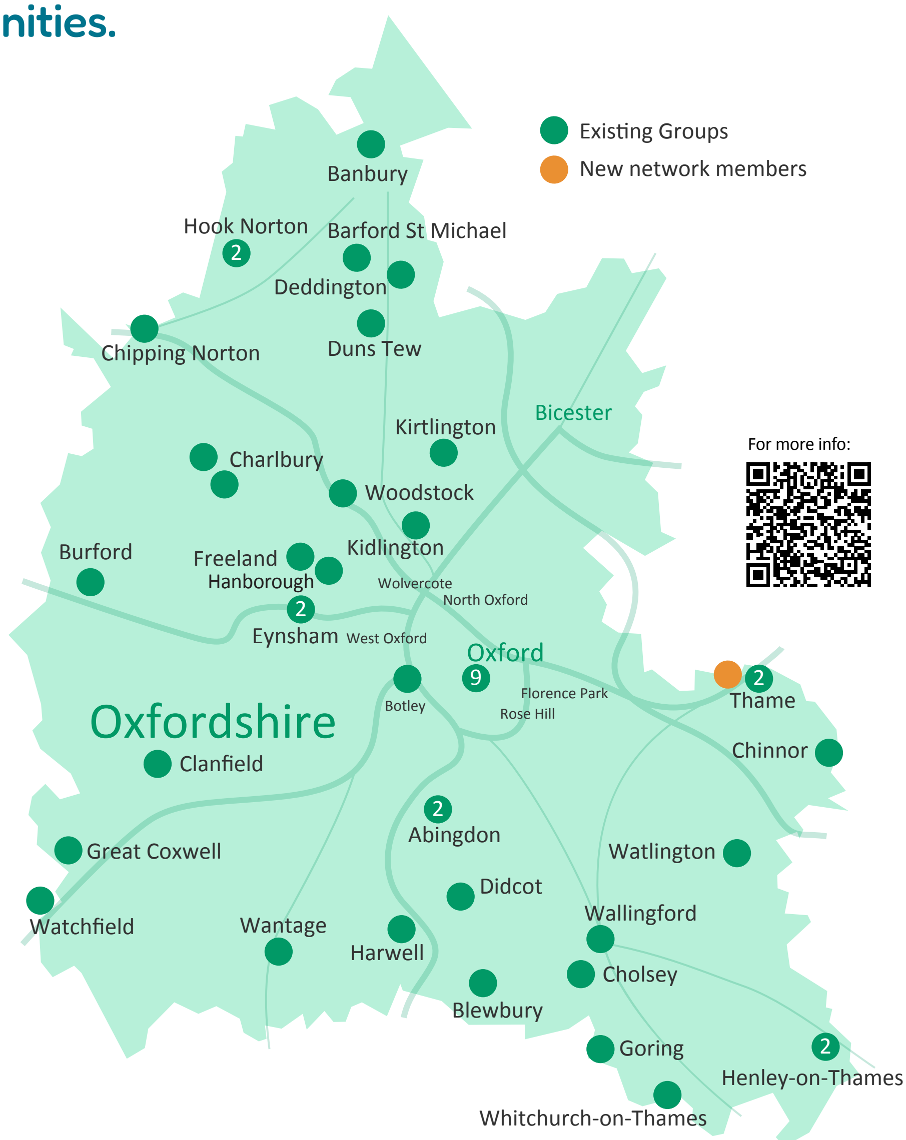
Scan/click QR code for more information.

COMMUNITY IN ACTION

Our network of 50 low carbon community groups sits at the heart of Low Carbon Hub. We offer training, advice, support and regular events to help them transform their neighbourhoods into vibrant and sustainable communities.

Delivered two training sessions to over 60 community group members. 12 community groups are planning *thermal image campaigns*.

Our **newest network member** group: 21st Century Thame.



For more info:

Large grant supported community groups

Hardwick Community Energy - Continuing to deploy a small team of Draughtbusters carrying out simple energy-efficiency measures in 27 old, hard-to-heat cottages on the Hardwick Country Estate.

Rose Hill & Iffley Low Carbon – Creating friendly home energy advice sessions built around free community lunches, to increase home energy efficiency in Rose Hill and surrounding neighbourhoods.

GreenTEA – Running Energy Saving Homes events and Housewarming workshops in the Eynsham area, including an Oxford Open Homes weekend where residents showcase their own energy efficiency projects.

First and Last Mile community transport group – Trialling a Saturday minibus service with wheelchair access, connecting villages in West Oxfordshire with no weekend public transport to Eynsham, Witney and Oxford.

Sustainable Kirtlington – Installing rooftop solar PV and battery storage on a newly built community shop and café, designed to be completely sustainable. The group have successfully raised the funds for the build through a community share offer.

“The thing I love about Low Carbon Hub is that values of compassion and kindness are embedded in the people who are part of it, and in the way you relate to communities – it's person-centred!”

Anon

15 small grant supported community groups

Home energy and retrofit

Go Green Hanborough, **Low Carbon South Oxford**, **Rose Hill & Iffley Low Carbon**, **Sustainable Charlbury**, **Sustainable Wantage** and **21st Century Thame** – supporting home energy and retrofit through events, thermal imaging campaigns and draughtbusting.

Renewable energy & community engagement

Burford BEAgles, **Heat Clanfield**, **Oxford Friends of the Earth**, **West Oxford Community Renewables** and **Westmill Sustainable Energy Trust** – inspiring and engaging communities around renewable energy through film screenings, exhibitions, storytelling and live generation data.

Sustainable transport

Low Carbon Oxford North and **Sustainable Kirtlington** – reducing car dependency through better bus engagement and improved WiFi for EV charging infrastructure.

Circular economy and sustainable living

One Planet Abingdon and **Sustainable Didcot** – celebrating repair and reuse through an upcycling fashion show and restored community allotment beds.

Delivering community benefit

The electricity we generate provides us with a sustainable income stream to support further carbon-cutting activity and leverage additional funding from grants and contracts.

Community benefit income

	2025/26	2024/25
Income	**IPS**	**IPS**
Own surpluses	£484,891	£511,715
Restricted grants and donations	£39,221	£15,125
Service contracts	£130,325	£127,391
Total community benefit income	**£654,437**	**£654,231**

Community benefit expenditure

	2025/26	2024/25
Summary	**IPS**	**IPS**
Community grants programme	£42,404	£19,971
Local energy programme	£647,769	£598,524
Total	**£690,173**	**£618,495**

Income

We use our surpluses to leverage significant additional donations, grants and contracts to further our mission. We are most grateful to all our funders for their support of our work. In particular, our members who have donated shares and interest, and Westmill Solar Co-operative for their ongoing support of our community buildings energy assessment work.

Expenditure

We use our community benefit income to deliver community benefit activities, either in the form of grants or by directly carrying out activities ourselves to support community action on climate change.

This includes:

- Grants and support to community energy enterprises
- Funding, help, and advice to support community action
- Innovation initiatives to accelerate the transition to net zero.

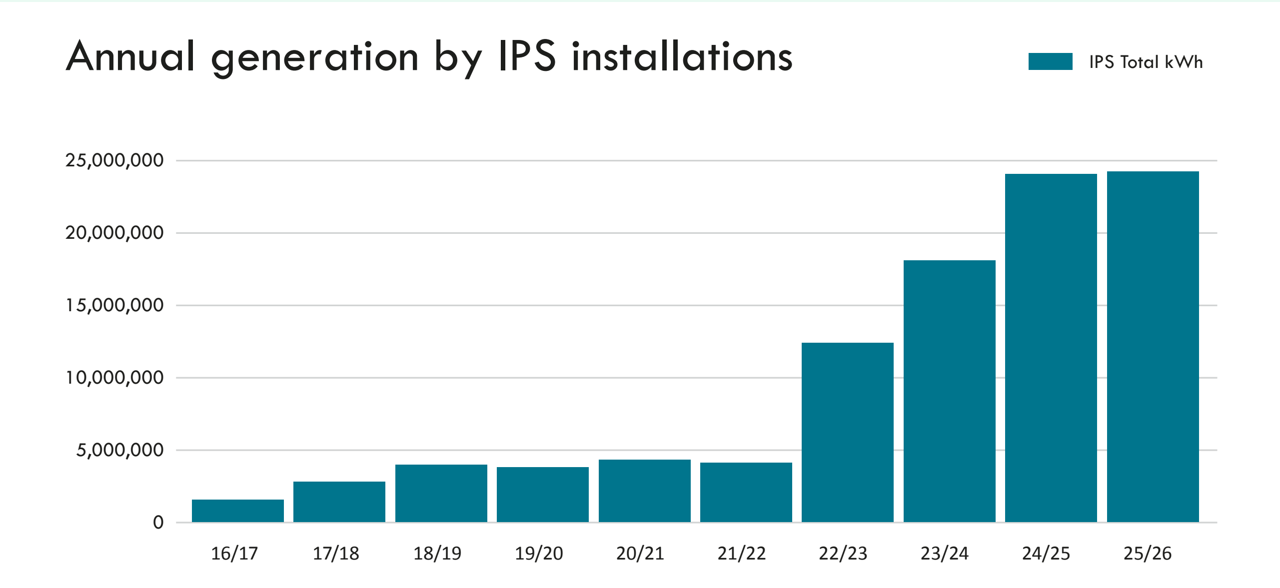
You can read more about our community benefit programmes on pages 12-19.

With restricted grants and donations, where monies were spent on capital investments, these monies have been treated as deferred income in the Balance Sheet and will be released as income into the Profit and Loss Account over the useful life of the investments.

Community Energy and the Energy Transition member event at Oxford Town Hall , June 2025

ANNUAL PERFORMANCE SUMMARY

Our generation portfolio



Our generation portfolio is the engine of the Low Carbon Hub. The year 2025/26 was another strong one as we generated 26 GWh of clean electricity across the portfolio. Ray Valley Solar continued to exceed generation forecasts and our rooftop portfolio also outperformed predictions thanks to a good summer for solar generation. Together our sites are generating the income behind our investor returns and community benefit fund. Explore the full list of our clean energy sites on our website.

	Total installed capacity	2025/26 generation (kWh)	% of predicted	CO_2 tonnes saved
IPS rooftop solar	4.6 MW	3,884,935	102%	760
Ray Valley Solar	19.2 MW	21,504,773	111%	4,205
Sandford Hydro*	440 KW	601,090	45%	118
	24.2 MW	**25,990,798**		**5,083**

*Numbers reflect generation of the hydro alone; the solar is reported under 'Rooftop Solar'

Investment performance

The investment by portfolio and return to investors summarised:

Portfolio	Number of investors	Total investment at year end	Change in equity	Interest rate	Total interest to be paid out
Community Energy Fund	1,767	£ 10,140,361	(£ 32,936)	5%	£ 503,805

Rooftop solar portfolio

Capacity MW	Generation kWh	CO_2 tonnes saved
4.6	3,884,935	760

The year 2025/26 was another strong one for our rooftop solar portfolio. There were no major issues with any of the installations and a record-breaking summer saw the portfolio exceed our predicted generation.

There were no new rooftop solar projects installed in the year as the financial model for new installations remains challenging. We focus on continuing to ensure all our sites are performing as they should.

Ray Valley Solar

Capacity MW	Generation kWh	CO_2 tonnes saved
19.2	21,504,773	4,205

The excellent summer sun helped generation at Ray Valley Solar as we reached 111% of predicted output for the year. The site employs bi-facial panels that capture sunlight from both sides, improving efficiency.

We continue to focus on biodiversity improvements, and this year sowed a wildflower meadow – looking forward to seeing it bloom in the coming season.

Exciting plans are also underway to install battery storage, as we prepare the site for this next phase of the project.

Sandford Hydro

Capacity kW	Generation kWh	CO_2 tonnes saved
440	601,090	118

Poor weather conditions throughout the year, including flooding events during the winter and a dry summer, meant that generation was significantly hampered as we met just 45% of predicted output. This continues to demonstrate the impact of increasingly unpredictable weather on this clean energy project.

We continue to explore technologies to support the site during these extreme weather events.

"I invested because climate change is rapidly accelerating and I will use as much of my funds as possible to help reduce its impact on the planet."

Sunil, Investor Member

Ray Valley Solar's panels stretching into the distance, photographed during a team visit in May 2026.

GOVERNANCE REPORT

Governance

The Board is the principal decision-making body in the IPS. It is collectively responsible for ensuring that the business is run according to the Co-operative and Community Benefit Societies Act 2014 and the Financial Conduct Authority guidance on its implementation. This includes the long-term success of the business for the benefit of the community according to the Objects as set out in the Rules of the Society, which include delivering a reasonable investment return to Low Carbon Hub members.

The Chief Executive proposes strategy to the Board and is then held accountable by it for delivery of the agreed strategy. The Board ensures effective corporate governance, succession planning, and stakeholder engagement. The Board is also responsible for ensuring that effective internal controls and risk management systems are in place.

The Board comprises Executive Directors – Low Carbon Hub's senior management – and Non-Executive Directors who bring additional skills and experience and an independent perspective that is separate from its day-to-day operations. The Directors set the tone and lead by example. This is particularly true of Executive Directors, and each of the Non-Executive Directors has a specific responsibility to provide support to the Low Carbon Hub team beyond simple attendance at Board meetings.

As part of this, the Board has formally delegated certain governance responsibilities to its Board Committees as briefly outlined below and set out in more detail on the website. Prior to appointment, each prospective Non-Executive Director confirms that they will have sufficient time available to be able to discharge their responsibilities effectively and that they will have no conflicts of interest. This is discussed by the Board before any appointment is made.

The Board meets formally about eight times a year and individual Non-Executive Directors carry out other duties in addition, including the activities of the Board Committees. Board meetings are not exclusively for Directors; other members of staff are included to add their expertise on particular topics and to ensure broader links between the Board and the Low Carbon Hub's team.

The Board is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Practice and applicable law) including FRS 102. The financial statements must give a true and fair view of the state of affairs of the Low Carbon Hub and its excess of income over expenditure for that period.

In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments 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 society will continue in business.

The Board is also responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and the financial position of the Society, and to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. The Board is 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 is 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.

Board Members

Re-election of Directors previously appointed by the Members

Under the Low Carbon Hub IPS Rule 18.1, one third of the Directors elected by the members must stand down at each AGM. This group is made up of those who have served the longest since their last election or re-election (Rule 18.2).

Mish Tullar, Rob Kesterton, and Chris Woolhouse are stepping down as directors having been selected by lot under Rule 18.2, and all are standing for re-election.

Tim Jones is stepping down from the Board in June 2026. Al Kitchen also stepped down as Communities Director and has been replaced in that role by Bernie Jones from April 2026. Neil Lawson and Bernie Jones were co-opted onto the Board in April 2026, and will be formally voted in at the October 2026 AGM.

Key to Committee Members

A	Audit Committee
GR&N	Governance, Risk and Nominations Committee
I	Investment Committee
IM	Impact Committee
R	Remuneration Committee
S	Strategy Committee
*	Denotes Chair of Committee

Board of Directors and Executive Team, 31 March 2026

Steve Drummond

Chairman, Non-Executive Director **GR&N**

Board member since 2013, brings 40 years of energy sector experience. CEO of Electrogenic Limited.

Barbara Hammond, MBE

CEO, Executive Director **A, GR&N, R, S**

Founder and CEO since 2012, drives sustainability initiatives, pioneering community energy and leading Low Carbon Hub.

Mairi Brookes

Smart Energy Systems Director, Executive Director **IM, S**

Board member since 2023, drives community energy, focuses on carbon emissions reduction and innovation.

Maxine Frerk

Non-Executive Director **R*, S**

Board member since September 2023, leverages grid edge expertise, enhancing customer communication and innovation at Low Carbon Hub.

Al Kitchen

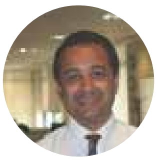
Non-Executive Director **IM*, R**

Board member since September 2023, champions community engagement, representing affiliated organisations and advancing Low Carbon Hub's mission.

Tim Jones

Renewables Portfolio Director, Executive Director **I**

Board member since 2023, brings 35 years' energy sector experience, managing renewables investments.



Mish Tullar

Non-Executive Director **IM, S***

Board member since June 2023, leads strategy development, leveraging corporate communication expertise and collaboration with Oxford City Council.

Lenah Oduor

Non-Executive Director **A***

Board member since September 2023, brings financial expertise, chairing the Audit Committee at Low Carbon Hub.

Rob Kesterton

Non-Executive Director **A, I***

Board member since June 2023, merges finance acumen with renewable energy experience, chairing the Investment Committee for Low Carbon Hub.

Chris Woolhouse

Non-Executive Director **GR&N***

Board member since June 2023, leads governance, leveraging legal expertise and commitment to the low-carbon transition at Low Carbon Hub.

†Co-opted onto Board in November 2025 and will be formally voted in at the October AGM.

Our committees

Board Committees

The Board Committees support the Board in specific areas of its responsibilities, as outlined below and set out in more detail on the website. The Committee Chairs provide regular updates to the Board on committee meetings and activities.

Audit Committee

- Reviews and monitors the integrity of financial information prior to publication, ensuring that the Annual Report as a whole is fair, balanced, and understandable
- Oversees systems of internal control and risk management
- Approves internal and external audit processes
- Maintains relationship with auditors
- Carries out in-depth reviews of specific risks, ensuring that risks are appropriately identified, managed, and mitigated.

The Committee consists of two Non-Executive Directors, one of whom is the Board member responsible for finance, one of whom is the Chair of the Investment Committee, and both of whom are independent. It is chaired by the Non-Executive Director for Finance.

The members of the committee at the date of this report are:
Lenah Oduor, Non-Executive Director Responsible for Finance and Committee Chair
Barbara Hammond,Executive Director
Rob Kesterton, Non-Executive Director and
Chair of Investment Committee

In attendance:
Sam Clutton, Head of Finance

External Audit

Richardsons were the external auditor for 2025/26. They provided the committee with relevant reports, reviews, information and advice, as set out in their engagement letter.

Impact Committee

- Oversees the Impact and Innovation Programme
- Reviews and recommends the Community Grants Policy, ensuring that it promotes the delivery of the Low Carbon Hub's strategy and the long-term sustainable success of the business
- Reviews, assesses and makes the final decisions on awarding Community Grants
- Oversees and provide Governance for the whole Community Granting process
- Provides proportionate and appropriate transparency and accountability to all stakeholders.

The Committee consists of two Non-Executive Directors and one Executive Director. It is chaired by a Non-Executive Director.

The members of the Committee at the date of this report are:
Al Kitchen, Non-Executive Communities Director and Committee Chair
Mish Tullar, Non-Executive Director
Mairi Brookes, Executive Director

In attendance:
Catherine Ryan, Community Engagement Manager
Aarti Chapman, Net Zero Programme Manager
Dale Hoyland, Oxfordshire Retrofit Team Lead, Oxfordshire County Council

Governance, Risk and Nominations Committee

- Reviews the Board's size, structure, and composition, including the recommendation of new appointments to the Board
- Monitors the balance of skills, knowledge, experience, independence, and diversity of the Board and its committees to ensure that they remain appropriate
- Oversight of succession planning and development plans of the Board and senior management
- Reviews the governance framework, including the IPS's compliance with applicable laws and regulations, particularly the Co-operative and Community Benefit Societies Act 2014 and accompanying guidance
- Evaluates the effectiveness of the Board and its committees
- Monitors compliance against the UK Corporate Governance Code
- Carries out in-depth reviews of specific risks, ensuring that risks are appropriately identified, managed, and mitigated.

The Committee consists of two Non-Executive Directors and the Chief Executive.

The members of the committee at the date of this report are:
Chris Woolhouse, Non-Executive Director and Committee Chair
Steve Drummond, Non-Executive Director and Board Chair
Barbara Hammond, Executive Director

In attendance:
Sam Clutton, Head of Finance

Investment Committee

The Investment Committee oversees investment in new projects and monitoring of the existing renewables portfolio. Its terms of reference include:

Investment

- Review all new investments for compliance with the strategy set by the Board
- Approve "standard" rooftop solar schemes under existing delegated powers from the Board
- Assess and updating the detailed terms of those investments including lease terms, tariffs, etc
- Assess and guide the detailed terms of non-standard investments, which will be approved (or otherwise) by the full Board – ensuring that the important questions have been asked and the project detail is fully understood so there can be a meaningful discussion and decision made by the Board
- Guide the principles of the financial modelling and price determination for investments.

Portfolio monitoring

- Oversee the portfolio monitoring processes to ensure they are appropriate
- Develop a reporting process so the Board has meaningful but concise information regarding its existing portfolio of assets
- Provide guidance to management regarding specific issues that arise and refer to the full Board as appropriate.

The Committee consists of the Renewables Portfolio Director, and two Non-Executive Directors, both of whom are independent. It is chaired by a Non-Executive Director.

The members of the Committee at the date of this report are:
Rob Kesterton, Non-Executive Director and Committee Chair
Tim Jones, Executive Director and Renewables Portfolio Director

In attendance:
Barbara Hammond, Executive Director
Laura Nicolaou, Business Development Manager
Kim McLaren provides the secretariat for the Committee

Remuneration Committee

- Recommends and reviews the Remuneration Policy, ensuring that it promotes the delivery of our strategy and the long-term sustainable success of the business
- Approves remuneration and benefits for the Executive Directors and Non-Executive Directors
- Approves remuneration principles throughout the business.

The Committee consists of the CEO and two Non-Executive Directors, both of whom are independent. It is chaired by a Non-Executive Director.

The members of the Committee at the date of this report are:
Maxine Frerk, Non-Executive Director and Committee Chair
Barbara Hammond, Executive Director and CEO
Al Kitchen, Non-Executive Communities Director

In attendance:
Sam Clutton, Head of Finance
Clare Doolan, Finance and Payroll Manager

Strategy Committee

The Strategy Committee works with the Chief Executive on the long-term development of strategies and plans for the Low Carbon Hub. The Committee supports the Chief Executive to:

- Undertake a comprehensive strategy review to refresh the mission and business objectives of the Company
- Produce, review and update a vision statement for the Company for consideration by the Board
- Develop both long-term (10-year) and short-term (3-year) business plans for consideration by the Board
- Refresh and updates these strategies and plans as required
- Propose the appointment of any external consultants as required to advise the Company on its strategic direction for consideration by the Board
- Horizon scan, research and make recommendations to the Board on the major financing plans of the Company and other major strategic issues influencing the development of the Company
- Provide governance as an "innovation gateway" for non-capital projects that aren't naturally considered by the Investment Committee
- Support the development of strategic partnerships as appropriate to further the work of the Company and its relationship with Government.

The Committee consists of two Non-Executive Directors and two Executive Directors. It is chaired by a Non-Executive Director.

The members of the Committee at the date of this report are:
Mish Tullar, Non-Executive Director and Committee Chair
Mairi Brookes, Executive Director
Maxine Frerk, Non-Executive Director
Barbara Hammond, Executive Director

In attendance:
Sam Clutton, Head of Finance

Directors' Report

Principal activity

The IPS's principal activity is the development, ownership, and operation of renewable energy power generation installations. Surpluses from these activities are applied to the benefit of the community, as defined by the Objects of the organisation. The aim is to prove we can meet our energy needs in a way that's good for people and good for the planet.

Income is reinvested in further carbon-cutting projects. We help local organisations become more energy efficient, fund green innovation, and back further community energy projects. We make every pound of investment work hard to bring our vision of a smart and fair energy system to life.

Going concern

The Directors, after reviewing Low Carbon Hub's operating budgets, investment plans, and financing arrangements, consider that the IPS has sufficient financing available at the date of approval of this report. Accordingly, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the Annual Report and Accounts.

A full description of Low Carbon Hub's business activities, financial position, cash flows, liquidity position, committed facilities, and borrowing position, together with the factors likely to affect its future development and performance, is set out in the Strategic Report and the Financial Report.

Viability statement

The Directors have assessed the prospects of Low Carbon Hub over a three-year period to October 2029. This has taken into account the business model, strategic aims, risk appetite, and principal risks and uncertainties, along with the Society's current financial position. Based on this assessment, the Directors have a reasonable expectation that the Society will be able to continue in operation and meet its liabilities as they fall due over the three-year period under review.

Events after the balance sheet

The following non-adjusting events occurred after the reporting date:

- The community share offer, which opened in March 2026 to fund the battery storage system at Ray Valley Solar, closed in June 2026 having raised £961,523 from 361 investors. The offer was overfunded, exceeding the amount sought. It was promoted through the Ethex platform and offered a target interest rate of 5% with a minimum investment of £100. No proceeds of the offer had been received, and no shares had been allotted under it, at 31 March 2026. The share capital of the Society at that date, disclosed in note 13, therefore excludes the offer in its entirety. Shares issued under the offer will be recognised in the year ending 31 March 2027, and the interest payable on them will first fall to be considered by the Board in respect of that year
- The battery storage system carried as work in progress at 31 March 2026 (£1,498,421 — see Note 8) is anticipated to be operational at the Ray Valley Solar site in November 2026. The Low Carbon Hub IPS Limited transferred the battery to Ray Valley Solar Limited, a wholly owned subsidiary, on 7 August 2026. The transfer is eliminated on consolidation and will have no effect on Group net assets.
- The unsecured short-term loan of £917,005 from We Have The POWER, drawn to fund the battery, was repaid in full by 7 August 2026.
- On 7 August 2026 Ray Valley Solar entered into a £2m long-term loan with Triodos Bank.
- The final acceptance certificate for the Ray Valley Solar Limited project was completed on 7 August 2026.

None of these events requires adjustment to the financial statements at 31 March 2026.

Capital structure

As of 31 March 2026, the Society had in issue 10,140,361 withdrawable £1 shares.

Interest payments to shareholders

The consolidated accounts for The Low Carbon Hub IPS Limited show an adjusted trading surplus before depreciation/amortisation and Members' interest of £870,044 for the year. Members' interest for 2025/26 amounts to £503,805, representing cover of approximately 1.73 times.

In approving the interest payment, the Board has considered the Society's financial position, liabilities, reserves, liquidity and financing arrangements and is satisfied that the payment is affordable and consistent with the Society's objects and applicable FCA guidance.

Conflicts of interest

Directors are required to disclose their interests to the Board, highlighting any actual or potential conflicts of interest with their duties and responsibilities as a Director. A register of interests is maintained by the Company Secretary and reconfirmed every six months.

The Board has looked closely at the other appointments held by Directors, details of which are contained in their biographies, and considers that the Chair and each of the Directors are able to devote sufficient time to fulfil the duties required of them under the terms of their contracts or letters of appointment.

During the year no Director declared a material interest in any contract of significance with Low Carbon Hub or any of its subsidiary undertakings, other than any third-party indemnity between each Director and the Company.

Annual General Meeting (AGM)

The Low Carbon Hub IPS Limited's AGM will take place online at 18:30 on Monday 12 October 2026. Members and the Directors are entitled to attend the AGM. Voting is conducted electronically.

Auditor

Richardsons were the external auditor for 2025/26. They provided the Audit Committee with relevant reports, reviews, information and advice, as set out in their engagement letter. So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to ensure that the company's auditor is aware of that information.

Statement of directors' responsibilities

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

They are also responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Society as at the end of the financial year and of the surplus or deficit of the Society for that period.

In preparing the financial statements, the Directors are required to:

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

The Directors 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. 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.

Signed on behalf of the Board on 14 September 2026.

Barbara Hammond, MBE
Chief Executive Officer of
The Low Carbon Hub IPS Limited

"It's all about us making slight tweaks to our behaviour that together adds up to quite a powerful difference."

Sarah, Heat Pump Trial

FINANCIAL STATEMENTS

Independent auditor's report
To the Members of The Low Carbon Hub IPS Limited for the year 2025/26

Opinion

We have audited the financial statements of Low Carbon Hub IPS Limited (the 'Society') for the year ended 31 March 2026 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 2026 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; and
- 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

In auditing the financial statements, we have concluded that the boards' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the boards with respect to going concern are described in the relevant sections of this report.

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 boards are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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, page 31, the board is 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 board 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 boards 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

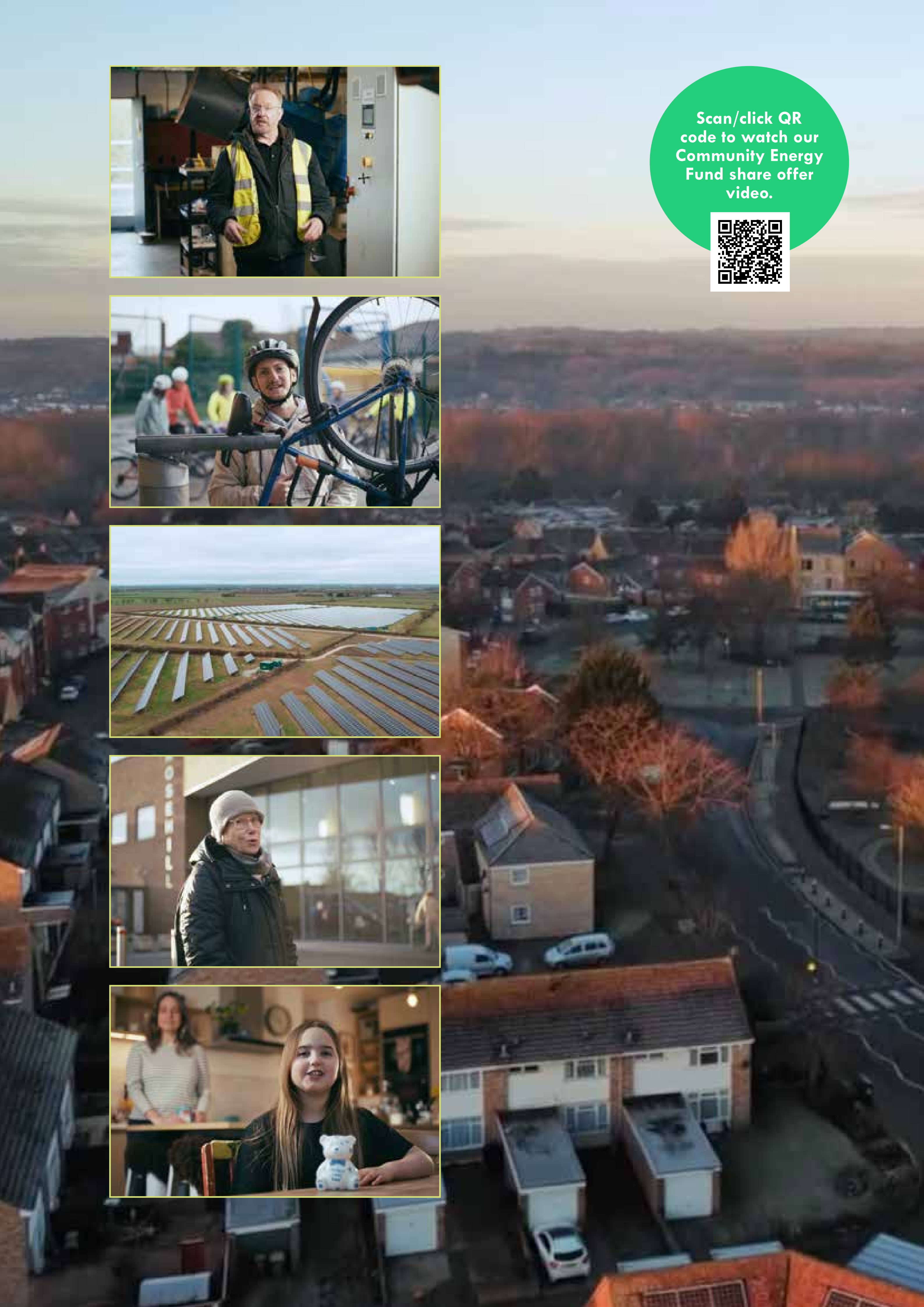
Use of our report

This report is made solely to the Society's Members, as a body, in accordance 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.

Richardsons, Statutory Auditor
Chartered Accountants
30 Upper High Street
Thame
Oxfordshire
OX9 3EZ

Date: 14 September 2026

Richardsons



Scan/click QR code to watch our Community Energy Fund share offer video.

Consolidated statement of financial position

	Notes	2025/26 £	2024/25 £
Intangible fixed assets	7	135,245	7,307
Tangible fixed assets	8	16,560,803	15,933,138
		16,696,048	**15,940,445**
Current assets			
Debtors	9	1,072,866	1,303,639
Cash at bank and in hand	10	1,243,933	1,429,768
		2,316,799	**2,733,407**
Creditors: Amounts falling due within one year	11	3,860,205	2,498,095
Net current assets / (liabilities)		**(1,543,406)**	**235,312**
Total assets less current liabilities		**15,152,642**	**16,175,757**
Creditors: Amounts falling due after more than one year	12	8,865,489	9,364,976
Total net assets		**6,287,153**	**6,810,781**
Capital and Reserves			
Share equity	13	9,992,093	10,025,029
Income and expenditure account		(3,704,940)	(3,214,248)
Members' funds		**6,287,153**	**6,810,781**

Signed on behalf of the Board and authorised for issue 14 September 2026.

Steve Drummond
Chair
The Low Carbon Hub IPS Limited

Barbara Hammond
Director CEO
The Low Carbon Hub IPS Limited

Consolidated income statement

	Notes	2025/26	2024/25
		£	**£**
Income			
Electricity Sales		2,506,486	2,075,022
FIT Income		487,647	472,774
Interest income		51,938	16,057
Government grant income		193,702	193,702
Other Grant Income		168,017	186,959
		3,407,790	**2,944,514**
Expenditure			
Community Benefit Donations	3	317,546	125,587
Depreciation/Amortisation Expense	7 & 8	856,931	845,490
Administration fees	4	2,088,058	2,056,680
Interest Payable	5	132,142	142,837
		3,394,677	**3,170,594**
Earnings before Tax and Members Interest		**13,113**	**(226,080)**
Members Interest Payments	5	503,805	484,255
Deficit for the year		**(490,692)**	**(710,335)**
Taxation	6	-	-
Deficit transferred to retained reserve		**(490,692)**	**(710,335)**

Consolidated statement of other comprehensive income

	Notes	2025/26 £	2024/25 £
Deficit for the year		**(490,692)**	**(710,335)**
Total other comprehensive income		-	-
Total comprehensive income for the year		**(490,692)**	**(710,335)**

Consolidated statement of changes in equity

	Share capital £	Income and expenditure account £	Total shareholders' funds £
At 31 March 2024	**9,687,772**	**(2,503,913)**	**7,183,859**
Deficit for the year	-	(710,335)	(710,335)
Issue of new equity shares	636,723	-	636,723
Repayment of shares	(299,466)	-	(299,466)
At 31 March 2025	**10,025,029**	**(3,214,248)**	**6,810,781**
Deficit for the year		(490,692)	(490,692)
Issue of new equity net of shares	98,676	-	98,676
Repayment of shares	(131,612)	-	(131,612)
At 31 March 2026	**9,992,093**	**(3,704,940)**	**6,287,153**

Consolidated cashflow statement

	Year ending 31 March 2026	Year ending 31 March 2025
Deficit for the year	(490,692)	(710,335)
Adjustments for:		
Depreciation and amortisation	856,931	845,490
Interest payable	132,142	142,837
Interest income	(51,938)	(16,057)
Loss on disposal of fixed assets	-	88,615
Members' interest expense	503,805	484,255
Operating cash flow before movements in working capital	**950,248**	**834,805**
Movements in working capital:		
(Increase)/decrease in debtors	230,773	(618,207)
Increase in trade and other creditors	419,967	660,718
Cash generated from operations	**1,600,988**	**877,316**
Net cash generated from operating activities	**1,600,988**	**877,316**
Cash flows from investing activities:		
Purchase of intangible and tangible fixed assets	(1,612,534)	(694,714)
Proceeds from disposal of fixed assets	-	26,840
Interest received	51,938	16,057
Net cash used in investing activities	**(1,560,596)**	**(651,817)**
Cash flows from financing activities		
Proceeds from/(repayment of) borrowings	423,106	(303,018)
Net proceeds from/(withdrawal of) member share capital	(32,936)	337,257
Interest paid	(132,142)	(142,837)
Members' interest paid	(484,255)	(456,968)
Net cash used in financing activities	**(226,227)**	**(565,566)**
Net decrease in cash and cash equivalents	**(185,835)**	**(340,067)**
Cash and cash equivalents at the beginning of the year	**1,429,768**	**1,769,835**
Cash and cash equivalents at the end of the year	**1,243,933**	**1,429,768**

Reconciliation of consolidated net debt

	1 April 2025	Cash flows	Other non-cash changes	31 March 2026
	£	£	£	£
Cash and cash equivalents (see Note 10)	1,429,768	(185,835)	-	1,243,933
Loans due within one year	(651,250)	(423,106)	(315,312)	(1,389,668)
Loans due after one year	(5,084,986)	-	315,312	(4,769,674)
Net debt	**(4,306,468)**	**(608,941)**	**-**	**(4,915,409)**

Cash and cash equivalents

Cash and cash equivalents comprise the total of unrestricted and restricted cash as disclosed in Note 10, and agree to the consolidated cash flow statement.

At 31 March 2025 cash and cash equivalents included restricted cash of £48,101, being a fund maintained to meet the expected future cost of inverter replacements. During the year the Board resolved to release that fund in full, the cost of inverters having fallen significantly since the reserve was first established, such that a dedicated provision is no longer considered necessary. No amount is held for this purpose at 31 March 2026 (2026: £nil). The release is a reclassification between restricted and unrestricted cash rather than a cash flow, and has no effect on net debt.

The opening balance of £1,429,768 is stated on the same basis as the closing balance. It is £48,101 higher than the figure of £1,381,667 presented in the prior year, which was drawn from unrestricted cash alone. The comparative has been restated on a consistent basis. There is no effect on the consolidated statement of financial position, the consolidated income statement, or Group net assets in either year.

Loans

Loans comprise the Triodos Bank loan, two loans from Oxford City Council for the Salix and Non-Salix facilities, and an unsecured short-term loan from We Have The POWER. The Oxford City Council facility for the Fish Pass Loan was repaid during the financial year ending 31 March 2026. Loans are stated net of finance arrangement fees.

Cash flows on loans comprise a drawdown of £917,005 under the We Have The POWER facility, taken out to fund the acquisition and installation of battery storage assets was outstanding at the reporting date, is included within loans due within one year, and was repaid in full in 7 August 2026 (see Note 11 and the Directors' Report), less repayments of £493,899, being:

	£
Triodos Bank	248,181
Oxford City Council Salix loan	59,592
Oxford City Council Non-Salix loan	86,126
Oxford City Council Fish Pass loan	100,000
Total repayments	**493,899**

Other non-cash changes of £315,312 represent the transfer of instalments falling due within twelve months of the reporting date from non-current to current liabilities. No cash flow arises on this reclassification.

Notes to the consolidated financial statements

1 Entity information and Statement of compliance with FRS 102

The Low Carbon Hub IPS Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014. Registration number 31903R. Registered office: Holywell House, Osney Mead, Oxford OX2 0ES.

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 companies, Low Carbon Hub Sandford Hydro Limited and Ray Valley Solar Limited.

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

Leasing accounting policy

Rentals payable under operating leases are charged to expenditure on a straight line basis over the term of the relevant lease.

Judgements

The main judgements made by the Directors in preparing the Financial Statements are the useful 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 were payable to The Low Carbon Hub CIC, up until 31 March 2023, 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.

Rooftop solar PV arrays - The Low Carbon Hub IPS Limited

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.

Ground mounted solar PV arrays - Ray Valley Solar Limited

The useful life of solar PV arrays is estimated to be 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 landscaping and infrastructure costs are depreciated over 38 years, this being the operational lease length of the site.

Hydro plant and machinery - Low Carbon Hub Sandford Hydro Limited

The useful life of the Sandford Hydro plant is estimated to be 40 years based on the lifespan 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.

Loans

Third-party loans are net of external finance arrangement fees.

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.

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 Society's aims and objectives, The Low Carbon Hub IPS Limited directly distributes community benefit donations. These funds are used to support activities within Oxfordshire focused on improving energy efficiency, and on increasing the amount of energy produced from community-owned renewable sources. During the year, direct cash donations to third parties of £317,546 (2025: £125,587) were recorded as expenses. These figures represent direct cash payments to external third parties only and exclude any community benefit delivered internally by the Society or through its own activities.

4 Administration costs

Administration costs are made up of the following:

	2025/26 £	**2024/25 £**
Staff costs (see Note 14)	923,521	989,799
Other admin fees	337,879	337,919
Other operations and maintenance fees	826,658	640,347
Loss on disposal of Fixed Assets	-	88,615
	2,088,058	**2,056,680**

The audit fee for the year ending 31 March 2026 included in these accounts was £8,750 (2025: £8,125).

5 Interest payable

	2025/26 £	**2024/25 £**
Loan Interest	132,142	142,837
Other interest	-	-
	132,142	**142,837**
Members Interest Payments	503,805	484,255
	635,947	**627,092**

Interest £	**Rate**	**Due**
Community Energy Fund	5.00%	503,805
		503,805

6 Taxation

A reconciliation of income tax applicable to accounting profit before tax at the statutory tax rates for the years ended 31 March 2026 and 31 March 2025 is as follows:

	2025/26 £	2024/25 £
(Deficit) for the year before tax	(490,692)	(710,335)
At UK tax rate of 25%	(122,673)	(177,584)
Creation of tax losses	122,673	177,584
Total reported on the income statement	-	-

Deferred tax

Deferred tax arises on tax losses carried forward and on timing differences between the carrying amounts of tangible fixed assets and their tax written down values.

As at 31 March 2026 the Group had unutilised tax losses of £8,477,074 (2025: £8,149,142). Measured at the main rate of UK corporation tax of 25% (2025: 25%), the amounts are:

	2025/26 £	2024/25 £
Deferred tax liability – timing differences on tangible fixed assets	(1,459,473)	(1,437,179)
Deferred tax asset – tax losses carried forward, recognised	1,459,473	1,437,179
Net deferred tax recognised	-	-
Potential deferred tax asset on tax losses carried forward	2,119,269	2,037,286
Less: recognised above	(1,459,473)	(1,437,179)
Unrecognised deferred tax asset	659,769	600,107

The deferred tax liability is recognised in full. A deferred tax asset has been recognised on tax losses carried forward, but only to the extent of the deferred tax liability against whose reversal it is expected to be recovered. The remaining potential asset of £659,769 (2025: £600,107) has not been recognised, because of uncertainty over the timing and availability of future taxable profits against which those losses could be utilised.

As the recognised asset and liability are equal and offset, no amount is presented in the consolidated statement of financial position and no deferred tax charge or credit arises in the consolidated income statement (2025: £nil). Tax losses may be carried forward indefinitely.

7 Intangible fixed assets - Goodwill & Portals

	Goodwill	Portals	Total
	£	£	£
At 31 March 2025	**10,731**	**-**	**10,731**
Arising in the year	-	132,040	132,040
As at 31 March 2026	**10,731**	**132,040**	**142,771**
Amortisation			
As at 31 March 2025	**3,424**	**-**	**3,424**
Amortisation in the year	489	3,613	4,102
As at 31 March 2026	**3,913**	**3,613**	**7,526**
Net book value at 31 March 2026	**6,818**	**128,427**	**135,245**
Net book value at 31 March 2025	**7,307**	**-**	**7,307**

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

Intangible asset portal additions relate to the development of portal software totalling £132,040. This comprises smart meter monitoring software (£110,362), which enables The Low Carbon Hub IPS Limited to remotely monitor all smart meters, and a new shareholder portal (£21,678). The £110,362 was transferred from work in progress within tangible fixed assets on completion of the software at the financial year end, and the £21,678 was added during the year that relates to the shareholder portal. The assets are being amortised over their estimated useful economic life of three years.

8 Tangible fixed assets

	Sandford Hydro £	Ray Valley Solar £	Solar PV array £	Inverters £	WIP £	Office equipment £	Total £
Cost							
At 31 March 2025	**4,077,181**	**10,876,375**	**4,785,684**	**286,183**	**83,400**	**11,185**	**20,120,008**
Additions	40,290	20,114	542	-	1,525,383	4,527	**1,590,856**
Disposals	-	-	-	-	(110,362)	-	**(110,362)**
At 31 March 2026	**4,117,471**	**10,896,489**	**4,786,226**	**286,183**	**1,498,421**	**15,712**	**21,600,502**
Depreciation							
At 31 March 2025	**1,108,557**	**1,046,311**	**1,874,509**	**153,339**	**-**	**4,154**	**4,186,870**
Provided during the year	175,765	403,489	241,780	27,418	-	4,377	**852,829**
At 31 March 2026	**1,284,322**	**1,449,800**	**2,116,289**	**180,757**	**-**	**8,531**	**5,039,699**
Net book value							
At 31 March 2026	**2,833,149**	**9,446,689**	**2,669,937**	**105,426**	**1,498,421**	**7,181**	**16,560,803**
At 31 March 2025	**2,968,624**	**9,830,064**	**2,911,175**	**132,844**	**83,400**	**7,031**	**15,933,138**

Low Carbon Hub Sandford Hydro Limited

Sandford Hydro was initially completed in 2018. Of the total capitalised costs to date for Low Carbon Hub Sandford Hydro Limited, £410,239 (2025: £410,239) relates to financing costs associated with the original construction. During the current financial year, the completed upgrade and optimisation works have been capitalised.

Ray Valley Solar Limited

The IPS acquired 100% of the share capital of Ray Valley Solar Limited on 30 September 2020 for a total consideration of £748,257. As at the asset acquisition date Ray Valley Solar Limited did not have any separable net assets and on consideration the excess of the consideration over the assets has been added to the Ray Valley Solar tangible fixed asset, including construction loan interest of £262,843, as the Board believes this relates to initial work and costs carried out by the previous owners in respect of gaining the necessary consents and permissions for the solar farm and to bringing the project to an investable position. Ray Valley Solar became operational and generating electricity in August 2022 with the project formal completion undertaken on 11 October 2023. The Final Acceptance Certificate [FAC] was obtained on 7 August 2026.

Work in progress	**£**
At 31 March 2025	83,400
Additions	1,525,383
Transferred to intangible fixed assets	(110,362)
At 31 March 2026	1,498,421

Additions in the year comprise £1,498,421 in respect of the battery storage system to be located at Ray Valley Solar, and £26,962 of final costs on the electricity meter reading portal, which was completed and transferred to intangible fixed assets during the year together with the opening balance of £83,400.

The battery storage system is a 3 MW / 12 MWh installation to be co-located with the existing solar park at Ray Valley Solar. It had not been physically installed on site at the reporting date and is therefore carried as work in progress and not depreciated. No revenue has been recognised in respect of it.

Development and construction costs are being incurred and settled by The Low Carbon Hub IPS Limited. Funding was provided by an unsecured short-term loan of £917,005 from We Have The POWER, repaid in full on 7 August 2026 (see Note 11).

It is the Directors' intention that the battery will be transferred to Ray Valley Solar Limited, a wholly owned subsidiary, once it has been physically located on site. Installation took place after the reporting date. The consideration and terms of the transfer will be reflected in the financial statements of both companies and eliminated on consolidation. Accordingly, the transfer will have no effect on the carrying amount of the Group's tangible fixed assets, on the consolidated income statement, or on Group net assets. Depreciation will commence from the date the asset is brought into use.

Transfers from Work in Progress

During the year, assets previously held under Work in Progress were completed and transferred to the relevant asset categories. These transfers were treated as disposals from Work in Progress and additions to Intangible Fixed Assets. This includes £110,362 relating to the creation of electricity meter reading portal.

These reclassifications are reflected in both the additions and disposals columns of the fixed asset movement schedule for the year ended 31 March 2026.

9 Debtors

	2025/26 £	2024/25 £
Trade debtors	740,147	876,724
Accrued income electricity sales & FIT	168,148	188,374
Prepayments and accrued income	164,571	238,541
	1,072,866	**1,303,639**

10 Cash or cash equivalents

	2025/26 £	2024/25 £
Unrestricted cash	1,243,933	1,381,667
Restricted cash	-	48,101
	1,243,933	**1,429,768**

In prior years, a fund was maintained to cover the expected future cost of inverter replacements (2025: £48,101). During the financial year, the Board resolved to release this fund in full, the cost of inverters having fallen significantly since the reserve was first established, such that a dedicated provision is no longer considered necessary. Accordingly, no amount is held for this purpose at the year end (2026: £nil).

11 Creditors: Amounts falling due within one year

	2025/26 £	2024/25 £
Triodos Construction Loan Facility	167,445	250,285
Oxford City Council Salix Loan (See Note 12)	163,398	162,081
Oxford City Council Non Salix Loan (See Note 12)	141,820	138,884
Oxford City Council Fish Pass Loan (See Note 12)	-	100,000
We Have The POWER Finance	917,005	-
Trade Creditors	745,543	803,994
Accruals	1,522,929	818,713
VAT Creditor	8,363	30,436
Deferred Income	193,702	193,702
	3,860,205	**2,498,095**

The Triodos Bank Construction Loan is an operational loan facility of initially £2.4 million for 14 years under signed agreements made with the Triodos Bank that was entered into on 11 October 2024.

As at 31 March 2026, the accruals balance includes £71,430 (2025: £71,430) relating to post-year-end construction completion costs for the Ray Valley Solar Limited project.

These costs were capitalised within Fixed Assets (see Note 8) during the financial year ended 31 March 2026, as the project had been generating electricity since August 2022 and was awarded a Provisional Accepted Certificate (PAC) on 11 October 2023.

The Final Acceptance Certificate was completed on 7 August 2026.

The Oxford City Council Fish Pass Loan facility was repaid in the financial year ending 31 March 2026.

During the year the company took out an unsecured short-term loan with We Have The POWER of £917,005 to fund the acquisition and installation of battery storage assets. Interest was charged at a maximum of 6%. The loan was repaid in full on 7 August 2026.

12 Creditors: Amounts falling due after more than one year

	2025/26 £	2024/25 £
Triodos Bank	1,493,329	1,658,670
Oxford City Council Salix Loan	1,655,007	1,715,916
Oxford City Council Non Salix Loan	1,621,338	1,710,400
Deferred income	4,095,815	4,279,990
	8,865,489	**9,364,976**

On 11 October 2023 Ray Valley Solar converted the development loan to an operational loan of £2.4m repayable over 14 years.

On 23 February 2022 two loan facilities were signed between The Low Carbon Hub IPS Limited and Oxford City Council as long-term finance for the construction of Ray Valley Solar as annotated within this note and note 11. The Salix Loan has an interest rate of 1.45% and is due for repayment on 31 March 2045. The Non Salix Loan has an interest rate of 2.85% and is due for repayment on 31 March 2045. These loans are secured against Ray Valley Solar assets. The total balances stated at year end for Salix Loan is £1,818,405 (2025: £1,877,997) and Non Salix Loan £1,763,158 (2025: £1,849,284) net of external finance arrangement fees.

The capital and interest due for repayment for the year ending 31 March 2026 was paid in April 2026. The capital and interest due for repayment for the year ending 31 March 2027 is due for payment on the 31 March 2027.

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 Society's share capital comprises withdrawable, non-transferable £1 shares in the Community Energy Fund. Shares are classified as equity because the Directors have absolute discretion to refuse a withdrawal.

Nominal value of shares in issue

	2025/26 £	2024/25 £
Community Energy Fund £1 Shares	10,140,311	10,173,262
Community Energy Fund £1 Shares held by Community Groups	50	35
	10,140,361	**10,173,297**

Shares held by community groups are Community Energy Fund £1 shares, identical in all respects to the other Community Energy Fund £1 shares shown above, and are presented separately for information only.

Reconciliation of nominal value to share equity carried in the statement of financial position

	2025/26 £	2024/25 £
Nominal value of shares in issue at the year end	10,140,361	10,173,297
Less: cumulative share issue costs written off against share capital	(148,268)	(148,268)
Share equity per the statement of financial position	**9,992,093**	**10,025,029**

Share issue costs are the direct, incremental costs of raising community share capital, principally offer document production, legal and regulatory costs, and promotion of the share offers. In accordance with FRS 102 section 22 these costs are deducted from equity rather than charged to the income statement. The amount shown is cumulative since the Society's first share offer. No share issue costs were incurred in the year ended 31 March 2026 (2025: £nil).

Movement in share equity

£	Nominal value	Cumulative issue costs	Share equity
At 31 March 2025	10,173,297	(148,268)	10,025,029
Shares issued in the year	98,676	-	98,676
Shares withdrawn in the year	(131,612)	–	(131,612)
At 31 March 2026	**10,140,361**	**(148,268)**	**9,992,093**

The movement in share equity agrees to the statement of changes in equity.

Restructure of share capital

In January 2025 the Board approved, following consultation with investor focus groups, the consolidation of all previous share classes into the Community Energy Fund, simplifying the share structure and better reflecting the Society's long-term commitment to community ownership, renewable energy, and local benefit. The restructure did not alter the rights attaching to any share and had no effect on share equity.

Share capital issued, allotted and paid

Share class	Issued £	Paid £
Community Energy Fund £1 shares (Class A)	10,140,311	10,140,311
Community group shares (Class A)	50	50

Number of members

As at 31 March 2026 the Society had 1,767 Community Energy Fund investor members and 50 community shareholders.

Rights, preferences and restrictions

Class A shares are non-transferable. They may be withdrawn only with the agreement of the Directors and the member holding the share. The terms for the return of capital to members are set out in Section 7 of the Society's Rules, which can be found on the Society's website. Each member has one vote at general meetings of the Society, regardless of the number of shares they hold.

Community group shares are Community Energy Fund £1 shares (Class A) held by designated community organisations to enable participation in governance. The shares are held one share per organisation, and each share carries one vote.

Interest is payable on share capital at the discretion of the Board and only out of available net trading surpluses. Interest is recognised as an expense once approved by the Board (see Note 5).

14 Board Members' remuneration

During the financial year ending 31 March 2026, the Low Carbon Hub IPS employed a total of 25 individuals. This includes 3 Executive Directors, 8 Non-Executive Directors, and 14 other staff members. The Executive Directors are employed on a full-time basis, while the Non-Executive Directors are part-time, working an average of 2 days per month.

The total remuneration paid to employees during the year was £923,521 [2025: £989,799]. This figure includes salaries, employment taxes, and pension contributions.

The breakdown of total remuneration is as follows:

Salaries	£792,889 [2025: £864,875]
Employment Taxes	£100,580 [2025: £92,003]
Pension Contributions	£30,052 [2025: £32,921]

The total remuneration of the Executive Directors amounted to £267,826 [2025: £279,509], while the remuneration of the Non-Executive Directors amounted to £47,124 [2025: £50,470].

15 Capital and Leasing commitments

Capital commitments

Capital expenditure in respect of work in progress projects is committed once contracts have been entered into. Capital expenditure contracted for at the reporting date but not provided in these financial statements amounted to £366,588 (2025: £nil).

That commitment relates entirely to the iWell battery storage system to be co-located with the solar park at Ray Valley Solar. It represents amounts contracted but not yet incurred at 31 March 2026, and is in addition to the £1,498,421 of costs already incurred on the battery and carried within work in progress at that date (see Note 8). Total contracted expenditure on the battery is therefore £1,865,009, of which £1,498,421 had been incurred by the reporting date. The battery was physically installed at Ray Valley Solar after the year end. The commitment is expected to be settled in full during the year ending 31 March 2027, and will be met from the proceeds of the community share offer opened in March 2026, together with short-term finance provided through the We Have the POWER project.

Operating lease commitments

The Group leases land and buildings under non-cancellable operating leases. Total future minimum lease payments under those leases amounted to £4,279,900 at 31 March 2026 (2025: £4,023,583).

The total comprises the Ray Valley Solar site lease of £3,842,831 (2025: £3,691,807), the Sandford Hydro site lease of £293,250 (2025: £302,250), and the Holywell House office lease of £143,819 (2025, part year: £29,526).

The Ray Valley Solar site lease runs for an operational term of 38 years and the rent is subject to periodic review. Notwithstanding the rent paid during the year, total future minimum lease payments under that lease increased by £151,024, because the effect of the rent review in the year exceeded the payments falling out of the commitment.

The Sandford Hydro site lease is not subject to rent review. The reduction of £9,000 in the year represents the rent paid.

On 7 December 2025 The Low Carbon Hub IPS Limited renewed the lease of office space at Holywell House, Osney Mead, Oxford for a term of four years. The remaining commitment at the reporting date is £143,819 (2025, part year: £29,526).

16 Related party transactions

The Group had no related party transactions during the year (2025: £nil).

In prior years, the management function carried out by The Low Carbon Hub CIC, along with its employees, was transferred to The Low Carbon Hub IPS Limited on 1 April 2023. Any amounts owed between the parties were subsequently settled in full, and no amounts were written off. The Low Carbon Hub CIC, which had entered voluntary dissolution, was dissolved on 21 January 2025. There are accordingly no related party transactions or outstanding balances in the current or prior year.

17 Events after the balance sheet date

The following events occurred after the reporting date. All are non-adjusting events under section 32 of FRS 102, and no adjustment has been made to the financial statements at 31 March 2026.

Community share offer

The community share offer, which opened in March 2026 to fund the battery storage system at Ray Valley Solar, closed in June 2026 having raised £961,523 from 361 investors. The offer was overfunded, exceeding the amount sought. It was promoted through the Ethex platform and offered a target interest rate of 5% with a minimum investment of £100. No proceeds of the offer had been received, and no shares had been allotted under it, at 31 March 2026. The share capital disclosed in note 13 therefore excludes the offer in its entirety. Shares issued under the offer will be recognised in the year ending 31 March 2027, and the interest payable on them will first fall to be considered by the Board in respect of that year.

Battery storage system

The battery storage system carried within work in progress at 31 March 2026, at a cost of £1,498,421 (note 8), was physically installed at Ray Valley Solar after the reporting date. Capital expenditure of £366,588 contracted but not incurred at the reporting date (note 15) has since been settled. The asset was transferred to Ray Valley Solar Limited, a wholly owned subsidiary, on 7 August 2026. The transfer is eliminated on consolidation and will have no effect on the carrying amount of the Group's tangible fixed assets, on the consolidated income statement, or on Group net assets. Depreciation will commence from the date the asset is brought into use.

Repayment of borrowings

The unsecured short-term loan of £917,005 from We Have The POWER, drawn during the year to fund the acquisition and installation of the battery storage system, was repaid in full in 7 August 2026. The loan was classified within creditors falling due within one year at the reporting date (note 11).

Ray Valley Solar final acceptance

The final acceptance certificate for the Ray Valley Solar Limited project was completed in 7 August 2026 (note 11).

The Society's statement of financial position

	Notes	2025/26 £	2024/25 £
Intangible fixed assets	8	135,245	7,307
Tangible fixed assets	9	4,280,966	3,134,450
Fixed asset investments	10	3,629,507	4,813,548
		8,045,718	**7,955,304**
Current assets			
Debtors	11	1,183,810	1,178,362
Cash at bank and in hand	12	673,103	323,496
		1,856,913	**1,501,857**
Creditors: Amounts falling due within one year	13	2,847,943	1,363,476
Net current (liabilities)		**(991,030)**	**138,381**
Total assets less current liabilities		**7,054,688**	**8,093,685**
Creditors: Amounts falling due after more than one year	14	3,730,470	3,891,754
Total net assets		**3,324,218**	**4,201,931**
Capital and reserves			
Share equity	15	9,992,093	10,025,029
Income and expenditure account		(6,667,875)	(5,823,098)
Shareholders' funds		**3,324,218**	**4,201,931**

Signed on behalf of the Board and authorised for issue on 14 September 2026.

Steve Drummond
Chair
The Low Carbon Hub IPS Limited

Barbara Hammond
Director CEO
The Low Carbon Hub IPS Limited

The Society's income statement

	Notes	2025/26 £	2024/25 £
Income			
Electricity sales		593,980	550,670
FIT income		374,326	326,728
Government grant income		20,838	20,838
Other grant income		168,017	186,959
Group Management, O&M & Admin		451,103	437,161
Interest receivable	3	172,413	284,013
		1,780,677	**1,806,369**
Expenditure			
Community benefit donations	4	317,546	125,587
Administration fees	5	1,448,103	3,331,787
Interest payable	7	78,323	81,723
Depreciation/amortisation expense	8 & 9	277,677	278,706
		2,121,649	**3,817,803**
Earnings before tax and Members' interest		**(340,972)**	**(2,011,434)**
Members' interest payments	7	503,805	484,255
Surplus/(Deficit) for the year		**(844,777)**	**(2,495,689)**
Taxation	6	-	-
Surplus/(Deficit) transferred to retained reserve		**(844,777)**	**(2,495,689)**

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

The Society's statement of changes in equity

	Share capital £	Income and expenditure account £	Total shareholders' funds £
At 31 March 2024	**9,687,771**	**(3,327,409)**	**6,360,362**
Loss for the year	-	(2,495,689)	(2,495,689)
Issue of new equity shares	636,723	-	636,723
Repayment of shares	(299,465)	-	(299,465)
At 31 March 2025	**10,025,029**	**(5,823,098)**	**4,201,931**
Loss for the year	-	(844,777)	(844,777)
Issue of new equity shares	98,676	-	98,676
Repayment of shares	(131,612)	-	(131,612)
At 31 March 2026	**9,992,093**	**(6,667,875)**	**3,324,218**

Notes to the Society's financial statements

1 Entity information and statement of compliance with FRS 102

The Low Carbon Hub IPS Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014. Registration number 31903R. Registered office: Holywell House, Osney Mead, Oxford OX2 0ES.

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 judgements made by the Directors in preparing the Financial Statements are the useful 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 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.

Bank borrowings

External bank borrowings net of capitalised bank arrangement fees. It does not include lease liabilities.

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.

Lease commitments

Rentals payable under operating leases are charged to expenditure on a straight line basis over the term of the relevant lease.

Derivatives, financial instruments and investments

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.

Investments in subsidiaries are included at cost.

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

	2025/26 **£**	**2024/25** **£**
Low Carbon Hub Sandford Hydro Limited equity and working capital loan interest	-	84,192
Ray Valley Solar Limited equity and working capital loan interest	170,186	198,264
Bank and other Interest	2,227	1,557
	172,413	**284,013**

Loans have been made to Low Carbon Hub Sandford Hydro Limited and Ray Valley Solar Limited, as disclosed in Note 18, Related Party Transactions.

Low Carbon Hub Sandford Hydro Limited

During the year no interest income was received in respect of equity loans to Low Carbon Hub Sandford Hydro Limited (2025: £84,192), as the loan was waived in the year ended 31 March 2025. Accordingly, no further interest has accrued.

Low Carbon Hub Sandford Hydro Limited holds a loan of £100,000 (2025: £100,000) originally advanced by Oxford City Council to Low Carbon Hub IPS Limited to fund the installation of a fish pass, and subsequently on-lent to Low Carbon Hub Sandford Hydro Limited on equivalent terms, including a headline interest rate of 2%. Low Carbon Hub IPS Limited repaid the £100,000 owed to Oxford City Council in April 2025. The corresponding amount owed by Low Carbon Hub Sandford Hydro Limited to Low Carbon Hub IPS Limited remains outstanding at the reporting date and now forms part of the trading inter-company account between the two companies.

Ray Valley Solar Limited

Interest of £170,186 (2025: £198,264) was accrued during the year on the equity loan of £2,881,249 (2025: £4,065,289) advanced to Ray Valley Solar Limited. The interest was charged at a rate of 5% for the financial year 2025/26, equivalent to the Members' interest rate of return. As at 31 March 2026, the total accrued interest amounted to £87,077 (2025: £113,495).

4 Community benefit donations

In accordance with the Society's aims and objectives, The Low Carbon Hub IPS Limited directly distributes community benefit donations. These funds are used to support activities within Oxfordshire focused on improving energy efficiency, and on increasing the amount of energy produced from community-owned renewable sources. During the year, direct cash donations to third parties of £317,546 (2025: £125,587) were recorded as expenses. These figures represent direct cash payments to external third parties only and exclude any community benefit delivered internally by the Society or through its own activities.

5 Administration costs

Administration costs are made up of the following:

	2025/26 £	2024/25 £
Staff costs (see Note 16)	923,521	989,799
Other admin fees	259,760	273,138
Other Operations and Maintenance Fees	264,822	172,546
Loss on sale of Fixed Assets	-	55,730
Write down of Group Company Loans	-	1,840,574
	1,448,103	**3,331,787**

The audit fee for 2025/26 included in these accounts is £8,750 (2025: £8,125).

6 Taxation

A reconciliation of income tax calculated at the standard UK corporation tax rate to the tax charge reported in the income statement is set out below. The standard rate of corporation tax in the UK for the year ended 31 March 2026 was 25% (2025: 25%):

	2025/26 £	2024/25 £
Profit / (deficit) for the year before tax	(844,777)	(2,495,689)
At United Kingdom tax rate of 25%	(211,194)	(623,922)
Creation of tax losses	211,194	623,922
Total reported on the income statement	-	-

No corporation tax charge arises for the years ended 31 March 2026 or 31 March 2025, because of tax losses brought forward and the creation of further losses in each period.

Deferred tax

As at 31 March 2026 the Society had unutilised tax losses of £5,206,475 (2025: £4,556,264). Measured at the main rate of UK corporation tax of 25% (2025: 25%), the amounts are:

	2025/26 £	2024/25 £
Deferred tax liability - timing differences on tangible fixed assets	(790,450)	(676,129)
Deferred tax asset – tax losses carried forward, recognised	790,450	676,129
Net deferred tax recognised	–	–
Potential deferred tax asset on tax losses carried forward	1,301,619	1,139,066
Less: recognised above	(790,450)	(676,129)
Unrecognised deferred tax asset	511,169	462,937

The deferred tax liability is recognised in full. A deferred tax asset has been recognised on tax losses carried forward, but only to the extent of the deferred tax liability against whose reversal it is expected to be recovered. The remaining potential asset of £511,169 (2025: £462,937) has not been recognised, because of uncertainty over the timing and availability of future taxable profits against which those losses could be utilised.

As the recognised asset and liability are equal and offset, no amount is presented in the Society's statement of financial position and no deferred tax charge or credit arises in the Society's income statement (2025: £nil). Tax losses may be carried forward indefinitely.

7 Interest payable

	2025/26 £	2024/25 £
Loan interest	78,323	81,723
	78,323	**81,723**
Members' interest payments	503,805	484,255
	582,128	**565,978**

For 2025/26 the Directors have declared interest payments on outstanding capital as follows:

	Interest rate %	Interest due £
Community Energy Fund	5.00%	503,805
		503,805

The amount accrued at the balance sheet date is £503,805 (2025: £484,255) and it is expected that this will be paid out prior to the 12 October 2026 AGM.

8 Intangible fixed assets - Goodwill and Portals

	Goodwill	Portals	Total
	£	£	£
At 31 March 2025	**10,731**	**-**	**10,731**
Arising in the year	-	132,040	132,040
As at 31 March 2026	**10,731**	**132,040**	**142,771**
Amortisation			
As at 31 March 2025	**3,424**	**-**	**3,424**
Amortisation in the year	489	3,613	4,102
As at 31 March 2026	**3,913**	**3,613**	**7,526**
Net book value at 31 March 2026	**6,818**	**128,427**	**135,245**
Net book value at 31 March 2025	**7,307**	**-**	**7,307**

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

Intangible asset portal additions relate to the development of portal software totalling £132,040. This comprises smart meter monitoring software (£110,362), which enables The Low Carbon Hub IPS Limited to remotely monitor all smart meters, and a new shareholder portal (£21,678). The £110,362 was transferred from work in progress within tangible fixed assets on completion of the software at the financial year end, and the £21,678 was added during the year that relates to the shareholder portal. The assets are being amortised over their estimated useful economic life of three years.

9 Tangible fixed assets

	Rooftop solar PV array £	Inverters £	WIP £	Office equipment £	Total £
Cost					
At 31 March 2025	**4,785,684**	**286,693**	**82,576**	**11,185**	**5,166,138**
Additions	-	-	1,526,207	4,246	1,530,453
Disposals	-	-	(110,362)	-	(110,362)
At 31 March 2026	**4,785,684**	**286,693**	**1,498,421**	**15,431**	**6,586,229**
Depreciation					
At 31 March 2025	**1,874,509**	**153,339**	**-**	**3,840**	**2,031,688**
Provided during the year	241,780	27,418	-	4,377	273,575
At 31 March 2026	**2,116,289**	**180,757**	**-**	**8,217**	**2,305,263**
Net book value					
At 31 March 2026	**2,669,395**	**105,936**	**1,498,421**	**7,214**	**4,280,966**
At 31 March 2025	**2,911,175**	**133,354**	**82,576**	**7,345**	**3,134,450**

Work in progress	**£**
At 31 March 2025	83,400
Additions	1,525,383
Transferred to intangible fixed assets	(110,362)
At 31 March 2026	1,498,421

Additions in the year comprise £1,498,421 in respect of the battery storage system to be located at Ray Valley Solar, and £26,962 of final costs on the electricity meter reading portal, which was completed and transferred to intangible fixed assets during the year together with the opening balance of £83,400.

The battery storage system is a 3 MW / 12 MWh installation to be co-located with the solar park operated by Ray Valley Solar Limited, a wholly owned subsidiary. All development and construction costs have been incurred and settled by the Society. The asset had not been physically installed on site at the reporting date and is therefore carried as work in progress and not depreciated.

Funding was provided by an unsecured short-term loan of £917,005 from We Have The POWER, repaid in full on 7 August 2026 (see Note 13).

It is the Directors' intention that the battery will be transferred to Ray Valley Solar Limited once it has been physically located on site, which occurred after the reporting date. On transfer the Society will derecognise the work in progress and recognise a corresponding amount owed by Ray Valley Solar Limited. The transfer is a related party transaction and will be disclosed in the related party note (see Note 18) in the year in which it occurs.

During the year, assets previously held under Work in Progress were completed and transferred to the relevant asset categories. These transfers were treated as disposals from Work in Progress and additions to Intangible Fixed Assets. This includes £110,362 relating to the creation of electricity meter reading portal.

These reclassifications are reflected in both the additions and disposals columns of the fixed asset movement schedule for the year ended 31 March 2026.

10 Fixed asset investments

	2025/26 £	2024/25 £
Investment in subsidiary - Low Carbon Hub Sandford Hydro Limited	1	1
Investment in subsidiary – Ray Valley Solar Limited	748,258	748,258
Loans to subsidiaries (note 18)	2,881,249	4,065,289
	3,629,507	**4,813,548**

The Society owns 100% of the share capital of Low Carbon Hub Sandford Hydro Limited and Ray Valley Solar Limited, companies incorporated in England and Wales and having their registered office at Holywell House, Osney Mead, Oxford OX2 0ES.

11 Debtors

	2025/26 £	2024/25 £
Trade debtors	542,795	664,472
Prepayments and accrued income	226,639	262,843
Amounts owed from Low Carbon Hub Sandford Hydro Limited	414,376	251,047
	1,183,810	**1,178,362**

12 Cash or cash equivalents

	2025/26 £	2024/25 £
Unrestricted cash	673,103	275,395
Restricted cash	-	48,101
	673,103	**323,496**

In prior years, a fund was maintained to cover the expected future cost of inverter replacements (2025: £48,101). During the financial year, the Board resolved to release this fund in full, the cost of inverters having fallen significantly since the reserve was first established, such that a dedicated provision is no longer considered necessary. Accordingly, no amount is held for this purpose at the year end (2025: £nil).

13 Creditors: Amounts falling due within one year

	2025/26 £	2024/25 £
Oxford City Council Salix Loan (see Note 14)	163,398	162,081
Oxford City Council Non Salix Loan (see Note 14)	141,820	138,884
Oxford City Council Fish Pass Loan	-	100,000
We Have The POWER Finance	917,005	-
Trade Creditors	137,848	181,069
Accruals	1,407,521	682,156
Deferred income	20,838	20,839
VAT	59,513	78,447
	2,847,943	**1,363,476**

The Oxford City Council Fish Pass Loan facility was repaid in the financial year ending 31 March 2026.

During the year the company took out an unsecured short-term loan with We Have The POWER of £917,005 to fund the acquisition and installation of battery storage assets. Interest was charged at a maximum of 6%. The loan was repaid in full in 7 August 2026.

14 Creditors: Amounts falling due greater than one year

	2025/26 £	2024/25 £
Oxford City Council Salix Loan	1,655,007	1,715,916
Oxford City Council Non Salix Loan	1,621,338	1,710,400
Deferred income	454,125	465,438
	3,730,470	**3,891,754**

On 23 February 2022 two loan facilities were signed between The Low Carbon Hub IPS Limited and Oxford City Council as long-term finance for the construction of Ray Valley Solar as annotated within this note and note 13. The Salix Loan has an interest rate of 1.45% and is due for repayment on 31 March 2045. The Non Salix Loan has an interest rate of 2.85% and is due for repayment on 31 March 2045. These loans are secured against Ray Valley Solar assets. The total balances stated at year end for Salix Loan is £1,818,405 (2025: £1,877,997) and Non Salix Loan £1,763,158 (2025: £1,849,284) net of external finance arrangement fees.

The capital and interest due for repayment for the year ending 31 March 2026 was paid in April 2026. The capital and interest due for repayment for the year ending 31 March 2027 is due for payment on the 31 March 2027.

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.

15 Share equity

The Society's share capital comprises withdrawable, non-transferable £1 shares in the Community Energy Fund. Shares are classified as equity because the Directors have absolute discretion to refuse a withdrawal.

Nominal value of shares in issue

	2025/26 £	2024/25 £
Community Energy Fund £1 Shares	10,140,311	10,173,262
Community Energy Fund £1 Shares held by Community Groups	50	35
	10,140,361	**10,173,297**

Shares held by community groups are Community Energy Fund £1 shares, identical in all respects to the other Community Energy Fund £1 shares shown above, and are presented separately for information only.

Reconciliation of nominal value to share equity carried in the statement of financial position

	2025/26 £	2024/25 £
Nominal value of shares in issue at the year end	10,140,361	10,173,297
Less: cumulative share issue costs written off against share capital	(148,268)	(148,268)
Share equity per the statement of financial position	**9,992,093**	**10,025,029**

Share issue costs are the direct, incremental costs of raising community share capital, principally offer document production, legal and regulatory costs, and promotion of the share offers. In accordance with FRS 102 section 22 these costs are deducted from equity rather than charged to the income statement. The amount shown is cumulative since the Society's first share offer. No share issue costs were incurred in the year ended 31 March 2026 (2025: £nil).

Movement in share equity

£	Nominal value	Cumulative issue costs	Share equity
At 31 March 2025	10,173,297	(148,268)	10,025,029
Shares issued in the year	98,676	-	98,676
Shares withdrawn in the year	(131,612)	–	(131,612)
At 31 March 2026	**10,140,361**	**(148,268)**	**9,992,093**

The movement in share equity agrees to the statement of changes in equity.

Restructure of share capital

In January 2025 the Board approved, following consultation with investor focus groups, the consolidation of all previous share classes into the Community Energy Fund, simplifying the share structure and better reflecting the Society's long-term commitment to community ownership, renewable energy, and local benefit. The restructure did not alter the rights attaching to any share and had no effect on share equity.

Share capital issued, allotted and paid

Share class	Issued £	Paid £
Community Energy Fund £1 shares (Class A)	10,140,311	10,140,311
Community group shares (Class A)	50	50

Number of members

As at 31 March 2026 the Society had 1,767 Community Energy Fund investor members and 50 community shareholders.

Rights, preferences and restrictions

Class A shares are non-transferable. They may be withdrawn only with the agreement of the Directors and the member holding the share. The terms for the return of capital to members are set out in Section 7 of the Society's Rules, which can be found on the Society's website. Each member has one vote at general meetings of the Society, regardless of the number of shares they hold.

Community group shares are Community Energy Fund £1 shares (Class A) held by designated community organisations to enable participation in governance. The shares are held one share per organisation, and each share carries one vote.

Interest is payable on share capital at the discretion of the Board and only out of available net trading surpluses. Interest is recognised as an expense once approved by the Board (see Note 7).

16 Board Members' remuneration

During the financial year ending 31 March 2026, the Low Carbon Hub IPS employed a total of 25 individuals. This includes 3 Executive Directors, 8 Non-Executive Directors, and 14 other staff members. The Executive Directors are employed on a full-time basis, while the Non-Executive Directors are part-time, working an average of 2 days per month.

The total remuneration paid to employees during the year was £923,521 [2025: £989,799]. This figure includes salaries, employment taxes, and pension contributions.

The breakdown of total remuneration is as follows:

Salaries	£792,889 [2025: £864,875]
Employment Taxes	£100,580 [2025: £92,003]
Pension Contributions	£30,052 [2025: £32,921]

The total remuneration of the Executive Directors amounted to £267,826 [2025: £279,509], while the remuneration of the Non-Executive Directors amounted to £47,124 [2025: £50,470].

17 Capital and Leasing commitments

Capital commitments

Capital expenditure contracted for at the reporting date but not provided in these financial statements amounted to £366,588 (2025: £nil).

That commitment relates entirely to the iWell battery storage system to be co-located with the solar park operated by Ray Valley Solar Limited, a wholly owned subsidiary. The battery is being contracted and paid for by the Society. The commitment represents amounts contracted but not yet incurred at 31 March 2026, and is in addition to the £1,498,421 of costs already incurred on the battery and carried within work in progress at that date (see Note 9). Total contracted expenditure on the battery is therefore £1,865,009, of which £1,498,421 had been incurred by the reporting date.

The battery was physically installed at Ray Valley Solar after the year end. The commitment is expected to be settled in full during the year ending 31 March 2027, and will be met from the proceeds of the community share offer opened in March 2026, together with short-term finance provided through the We Have the POWER project. It is the Directors' intention that the battery will be transferred to Ray Valley

Solar Limited once it has been physically located on site (see Note 9).

Operating lease commitments

The Society leases office space at Holywell House, Osney Mead, Oxford under a non-cancellable operating lease. The lease was renewed on 7 December 2025 for a term of four years. Total future minimum lease payments under that lease amounted to £143,819 at 31 March 2026 (2025, part year: £29,526)

18 Related party transactions

Low Carbon Hub Sandford Hydro Limited

At the balance sheet date, the inter-company clearing account showed a balance of £414,376 (2025: £251,047), representing an amount owed by Sandford Hydro Limited to Low Carbon Hub IPS that includes the Fish Pass Loan of £100,000 that was amalgamated into the company clearing account in the financial year.

During the financial year the company charged Low Carbon Hub Sandford Hydro Limited £9,304 [2025: £9,165] for Administration Fees and £9,304 [2025: £8,990] for Operations and Management Fees. At the year end, 31 March 2026, the trade debtors were £51,147 [2025: £46,602].

Ray Valley Solar Limited

Equity loans of £2,881,249 (2025: £4,065,289) from the shareholder funds raised. This is at a rate of 5% to cover the investor returns.

During the financial year, the company charged Ray Valley Solar £418,327 [2025: £398,645] for Operations and Management Fees and £14,122 [2025: £13,910] for Project Administration Fees. At the year end, 31 March 2026, the trade debtors were £146,206 [2025: £496,676] and there was creditor balance owed of £591,237 [2025: £nil].

19 Events after the balance sheet date

The following events occurred after the reporting date. All are non-adjusting events under section 32 of FRS 102, and no adjustment has been made to the financial statements at 31 March 2026.

Community share offer

The community share offer, which opened in March 2026 to fund the battery storage system at Ray Valley Solar, closed in June 2026 having raised £961,523 from 361 investors. The offer was overfunded, exceeding the amount sought. It was promoted through the Ethex platform and offered a target interest rate of 5% with a minimum investment of £100.

No proceeds of the offer had been received, and no shares had been allotted under it, at 31 March 2026. The share capital disclosed in note 15 therefore excludes the offer in its entirety. Shares issued under the offer will be recognised in the year ending 31 March 2027, and the interest payable on them will first fall to be considered by the Board in respect of that year.

Battery storage system

The battery storage system carried within work in progress at 31 March 2026, at a cost of £1,498,421 (note 9), was physically installed at Ray Valley Solar after the reporting date. Capital expenditure of £366,588 contracted but not incurred at the reporting date (note 17) has since been settled. The asset was transferred to Ray Valley Solar Limited, a wholly owned subsidiary, on 7 August 2026. On transfer the Society will derecognise the work in progress and recognise a corresponding amount owed by Ray Valley Solar Limited. The transfer is a related party transaction and will be disclosed in note 18 in the year in which it occurs.

Repayment of borrowings

The unsecured short-term loan of £917,005 from We Have The POWER, drawn during the year to fund the acquisition and installation of the battery storage system, was repaid in full on 7 August 2026. The loan was classified within creditors falling due within one year at the reporting date (note 13).

Public Benefit Entity and Mutuals Registration note

For the year ended 31 March 2026

Public Benefit Entity Status under FRS 102

The Low Carbon Hub IPS Limited is classified as a public benefit entity (PBE) as defined in the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). Accordingly, the financial statements have been prepared in compliance with the relevant sections of FRS 102 applicable to PBEs.

As a PBE, the Society's primary objective is to deliver public and community benefit rather than generate profits for private distribution. Any surpluses generated from trading activities are applied towards achieving the community benefit objectives set out in the Society's Rules.

Registration on the Mutuals Register

The Society is registered with the Financial Conduct Authority (FCA) on the Mutuals Register as a Community Benefit Society under the Co-operative and Community Benefit Societies Act 2014 (registration number: 31903R).

To remain on the Mutuals Register, the Society must comply with the FCA's guidance, which requires that:

- The Society trades as a business.
- Its primary purpose is to produce surpluses that are applied to community benefit objectives.
- It pays no more than a reasonable rate of interest to shareholders, and only from available net trading surpluses.
- It exists to benefit the community rather than serve as an investment vehicle.

The Society meets these requirements by:

- Trading in renewable electricity generated by projects funded through community investment.
- Applying surpluses to community benefit activities as reported in the Society's Annual Report and Accounts.
- Ensuring, through its financial accounts, that shareholder interest payments are fully covered by net trading surplus each year.

The Board and its committees monitor compliance with the Co-operative and Community Benefit Societies Act 2014 and associated FCA guidance, working closely with the Chief Executive and Executive Directors.

Business model and application of surplus

The Low Carbon Hub IPS Limited is a trading enterprise that applies all profits for community benefit. The Society develops, owns and operates renewable energy installations in partnership with local organisations. These installations reduce carbon emissions, provide lower-cost electricity to host sites, and generate income for the Society.

The Society:

- Provides capital for installations at no cost to host organisations.
- Retains ownership of installations and earns revenue through the sale and export of electricity and, where applicable, fixed incentives such as Feed-in Tariffs.
- Applies trading surpluses to:
    - Community grants supporting local carbon reduction initiatives.
    - Match funding for innovation and pilot projects aimed at new models for community energy and grid-edge services.

The Society wholly owns two subsidiaries - Low Carbon Hub Sandford Hydro Limited and Ray Valley Solar Limited - which operate specific generation assets contributing to the group's overall objectives.

Governance arrangements

The Society is not a listed company but manages member investments from over 1,700 individuals and organisations. In recognition of this responsibility, the Board has voluntarily adopted the FRC UK Corporate Governance Code in so far as it is applicable and proportionate.

The Board annually reviews compliance with the Code and discloses any departures, which include:

- Board tenure: Under the Society's Rules (18.1 and 18.2), one-third of directors retire each year on a rotation basis, differing from the Code's annual re-election recommendation.
- Executive remuneration: The Board does not link remuneration to share ownership, as subsidising investment is not considered appropriate for a community benefit society.

Areas under review include:

- Enhancing structured engagement with Members beyond current representation mechanisms.
- Introducing more formal workforce engagement processes.
- Reviewing policies on staff whistleblowing, diversity, inclusion, and Board evaluation.

Risk management

The Board is responsible for oversight of the Society's strategic, operational and financial risk, with day-to-day management delegated to the Executive Team. The Chief Executive proposes strategy and associated risk appetite, which is approved by the Board.

Risk is managed through:

- Active identification and mitigation of risks by Executive Directors in their respective areas.
- Oversight of the Society's Risk Register by the Governance, Risk and Nominations Committee.
- Regular monitoring and reporting of risks associated with project development, financial performance, regulatory compliance, and stakeholder obligations.

The Investment Committee provides oversight of risks associated with new and operational renewable energy projects, in line with the group's investment strategy.

SOCIETY INFORMATION

Full name

The Low Carbon Hub IPS Limited, Industrial & Provident Society no: 31903R

Wholly owned subsidiaries

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

Ray Valley Solar Limited
(Company Registration no: 12279415)

Principal address

Holywell House
Osney Mead
Oxford OX2 0ES

Company Secretary

Barbara Hammond (appointed 1 January 2025)

Auditors

Richardsons
30 Upper High Street
Thame
OX9 3EZ

Governing document

The Society is operated in accordance with the Rules of The Low Carbon Hub IPS Limited.

It is a Society Limited by share capital. The liability of each Class A shareholder in the event of winding-up is £1.

"It can't all be driven centrally. It's got to involve communities and involve consumers in defining how they want things to be in the future."

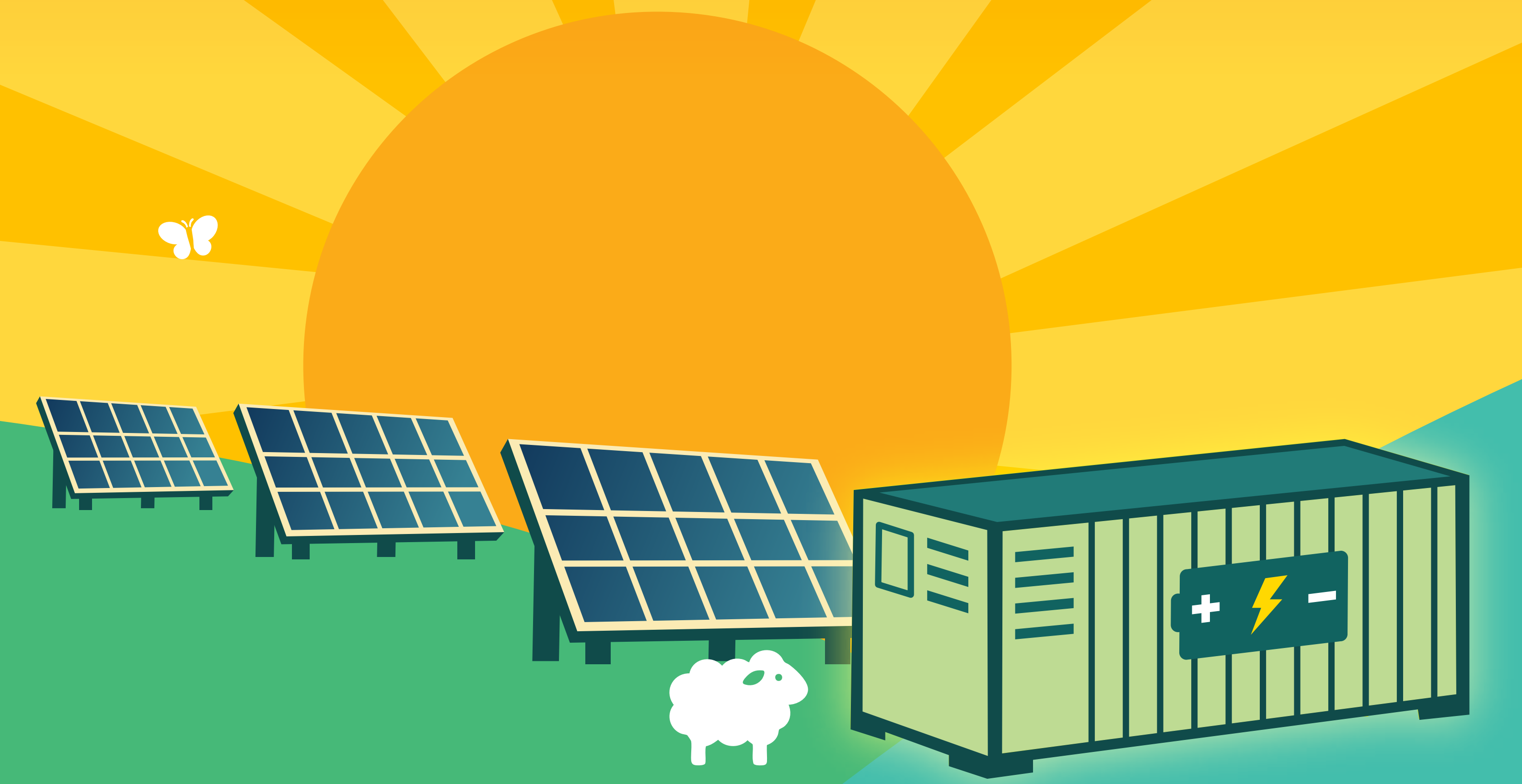
Simon Collings

TOWARDS A **BRIGHT FUTURE**

Be part of what comes next.
Support community energy.

Invest in our projects and
help spread the word.

lowcarbonhub.org/invest



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