

Registration number: 31251R

Low Carbon Gordano Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2017

Alanbrookes Limited
Chartered Accountants
PO Box 258
Stroud
Gloucestershire
GL6 8WZ

Low Carbon Gordano Limited

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Low Carbon Gordano Limited

Company Information

Directors	Mr B J Titley Dr J M Gething Dr E A Bossanyi Mr P G Thurston Dr R J Langton Mr R P Lamoon Mr G J Watkins Dr S A Cayzer Miss H P Rumford Mr R Bate
Company secretary	Ms R Hadrill
Registered office	The Coach House 2 Upper York Street Bristol BS2 8QN
Auditors	Alanbrookes Limited Chartered Accountants PO Box 258 Stroud Gloucestershire GL6 8WZ

Low Carbon Gordano Limited

Directors' Report for the Year Ended 31 March 2017

The directors present their report and the for the year ended 31 March 2017.

Directors of the group

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

Mr B J Titley

Dr J M Gething

Dr E A Bossanyi

Mr P G Thurston

Dr R J Langton

Mr R P Lagoon

Mr G J Watkins

Dr S A Cayzer

Mr C J Crookall-Fallon (resigned 17 October 2016)

Miss H P Rumford (appointed 26 May 2016)

Mr R Bate

Disclosure of information to the auditor

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

Approved by the Board on 28 September 2017 and signed on its behalf by:

.....
Mr B J Titley
Director

Low Carbon Gordano Limited

Directors' Report for the Year Ended 31 March 2017

PRINCIPAL ACTIVITIES The society's principal trading activity during the year was to develop and manage solar arrays funded through members' share investment and to offer an energy advice service in order to promote low carbon lifestyles.

BUSINESS REVIEW The main activity during the year was the management of the society's ground mounted solar arrays at Moorhouse Farm, Hallen, Bristol, and at Ham Farm, Kingston Seymour, North Somerset and the smaller roof schemes at Church House and Northleaze School in Long Ashton and at the YMCA in Clevedon. In all the Society now has 2.8MW of solar PV installed.

The ground mounted arrays have now been operating for nearly two years and are performing around 5% above their originally predicted performance with few problems reported. However, output during the recent summer has been relatively poor, apparently due to lower levels of insolation (energy from sunlight).

The 3 roof-mounted schemes have been operating for more than 12 months with no problems reported.

Members who held shares at the time of the previous AGM in September 2016 were paid 5.5% interest. For the shares issued in September 2014 this was for a full 12 months and for shares issued in July 2015 for the 8 months to March 2016.

No new shares were issued in the year and no new projects were started.

PLANS FOR FUTURE PERIODS The Board of Directors will continue to seek other opportunities for constructing renewable energy schemes. The Government's review of the FiT scheme supporting renewable energy projects led to very significant reductions in the rates payable. In the view of the directors, this change will rule out any further ground-mounted solar arrays, not directly linked to a significant consumer of electricity, for the foreseeable future. However, work is proceeding in partnership with Solarsense to identify potential sites for solar systems which we believe might be viable: such schemes will usually be on roofs belonging to organisations, including schools, that will use the great majority of the generated electricity. Several possible schemes of this sort are being actively pursued at the moment.

Relationships with Mongoose Energy Limited will continue to be developed. Mongoose is a co-operative company in which member community benefit societies like our own society have a majority shareholding. Mongoose is now providing a range of asset management services to us at affordable rates. Mongoose have launched Mongoose Crowd, a crowdfunding platform, as a resource for raising capital and they have identified a lower cost bank loan option for refining member community energy organisations like Low Carbon Gordano. The plans to launch an energy retail business have been put on hold because of the current adverse market conditions. Two of our directors are directly involved in the oversight of Mongoose.

INTEREST AND TRANSFER TO RESERVES The directors are paying interest on members' shares during 2016-17 of 5.5% pa. This decision reflects the low level of the Retail Price Index and the collapse in global energy prices which has greatly reduced our income from the sale of electricity.

COMMUNITY BENEFIT PAYMENTS

At the AGM in September 2015, a donation of £25,000 was set aside for the Community Benefit Fund. £2,500 was paid to a project in Madagascar during 2015-16. The remaining £22,500 was paid over during 2016-17 to Transition Portishead, a registered charity that has undertaken to administer the distribution of the fund to community-based energy conservation projects. This payment was enhanced through some members of Low Carbon Gordano waiving some of their interest (£380) and a board member passing on their board attendance fee paid by Mongoose Energy Ltd (£2,500). A total of seven local community organisations benefitted from the grants.

Low Carbon Gordano Limited

Directors' Report for the Year Ended 31 March 2017

At the AGM in September 2016, a donation of £25,000 was set aside for the Community Benefit Fund. At 31st March 2017, £2,500 was given directly to local charity "Mend the Gap" to purchase solar recharging units for a remote Massai community in Kenya and £22,500 was set to be given to Transition Portishead. A total of six community organisations will benefit from the grants which will fund a solar roof panel system and the installation of LED lighting.

The directors are also recommending to the AGM that a further £15,000 is donated to the Community Benefit Fund. This money will be paid out during 2017-18. The belief is that this reflects a fair balance between the interests of shareholders and those of the communities we depend upon. The long-term health of the community benefit society sector depends on the wider community recognising the value that such societies bring to the communities that they serve.

Low Carbon Gordano Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Low Carbon Gordano Limited

Independent Auditor's Report to the Members of Low Carbon Gordano Limited

We have audited the financial statements of Low Carbon Gordano Limited for the year ended 31 March 2017, set out on pages 8 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the society's members, as a body, in accordance with 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the society's affairs as at 31 March 2017 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Opinion on other matter prescribed by the Co-operative and Community Benefit Societies Act 2014

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

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

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

Low Carbon Gordano Limited

Independent Auditor's Report to the Members of Low Carbon Gordano Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the society or returns adequate for our audit have not been received from branches not visited by us; or
- the society financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

.....
Mr A S Fisher (Senior Statutory Auditor)
For and on behalf of Alanbrookes Limited, Statutory Auditor

PO Box 258
Stroud
Gloucestershire
GL6 8WZ

28 September 2017

Low Carbon Gordano Limited

Consolidated Profit and Loss Account for the Year Ended 31 March 2017

	Note	Total 31 March 2017 £	Total 31 March 2016 £
Turnover	3	317,709	268,765
Cost of sales		<u>(91,922)</u>	<u>(65,575)</u>
Gross profit		225,787	203,190
Administrative expenses		<u>(199,554)</u>	<u>(136,162)</u>
Operating profit	4	<u>26,233</u>	<u>67,028</u>
Other interest receivable and similar income	5	46	649
Interest payable and similar expenses	6	<u>(159,169)</u>	<u>(88,818)</u>
		<u>(159,123)</u>	<u>(88,169)</u>
Loss before tax		<u>(132,890)</u>	<u>(21,141)</u>
Loss for the financial year		<u><u>(132,890)</u></u>	<u><u>(21,141)</u></u>
Profit/(loss) attributable to:			
Owners of the company		<u><u>(132,890)</u></u>	<u><u>(21,141)</u></u>

The group has no recognised gains or losses for the year other than the results above.

Low Carbon Gordano Limited
(Registration number: 31251R)
Consolidated Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	7	2,859,833	3,016,874
Current assets			
Debtors	9	88,930	226,060
Cash at bank and in hand		143,050	88,639
		<u>231,980</u>	<u>314,699</u>
Creditors: Amounts falling due within one year	11	<u>(59,139)</u>	<u>(165,289)</u>
Net current assets		<u>172,841</u>	<u>149,410</u>
Net assets		<u>3,032,674</u>	<u>3,166,284</u>
Capital and reserves			
Called up share capital	12	3,195,500	3,196,220
Profit and loss account		<u>(162,826)</u>	<u>(29,936)</u>
Equity attributable to owners of the company		<u>3,032,674</u>	<u>3,166,284</u>
Total equity		<u>3,032,674</u>	<u>3,166,284</u>

Approved and authorised by the Board on 28 September 2017 and signed on its behalf by:

.....

Mr B J Titley
Director

Low Carbon Gordano Limited
(Registration number: 31251R)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	7	68,565	72,149
Investments	8	<u>101</u>	<u>101</u>
		<u>68,666</u>	<u>72,250</u>
Current assets			
Debtors	9	2,782,628	3,068,905
Cash at bank and in hand		<u>69,214</u>	<u>74,396</u>
		2,851,842	3,143,301
Creditors: Amounts falling due within one year	11	<u>(28,731)</u>	<u>(128,136)</u>
Net current assets		<u>2,823,111</u>	<u>3,015,165</u>
Net assets		<u>2,891,777</u>	<u>3,087,415</u>
Capital and reserves			
Called up share capital		3,195,500	3,196,220
Profit and loss account		<u>(303,723)</u>	<u>(108,805)</u>
Total equity		<u>2,891,777</u>	<u>3,087,415</u>

The company made a loss after tax for the financial year of £194,918 (2016 - loss of £100,010).

Approved and authorised by the Board on 28 September 2017 and signed on its behalf by:

.....
Mr B J Titley
Director

Low Carbon Gordano Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2017 Equity attributable to the parent company

	Share capital £	Profit and loss account £	Total £	Total equity £
At 1 April 2016	3,196,220	(29,936)	3,166,284	3,166,284
Loss for the year	-	(132,890)	(132,890)	(132,890)
Total comprehensive income	-	(132,890)	(132,890)	(132,890)
Other share capital movements	(720)	-	(720)	(720)
At 31 March 2017	<u>3,195,500</u>	<u>(162,826)</u>	<u>3,032,674</u>	<u>3,032,674</u>

	Share capital £	Profit and loss account £	Total £	Total equity £
At 1 April 2015	2,222,170	(8,795)	2,213,375	2,213,375
Loss for the year	-	(21,141)	(21,141)	(21,141)
Total comprehensive income	-	(21,141)	(21,141)	(21,141)
New share capital subscribed	974,050	-	974,050	974,050
At 31 March 2016	<u>3,196,220</u>	<u>(29,936)</u>	<u>3,166,284</u>	<u>3,166,284</u>

The notes on pages 13 to 19 form an integral part of these financial statements.

Low Carbon Gordano Limited

Statement of Changes in Equity for the Year Ended 31 March 2017

	Share capital	Profit and loss	Total
	£	£	£
At 1 April 2016	3,196,220	(108,805)	3,087,415
Loss for the year	<u>-</u>	<u>(194,918)</u>	<u>(194,918)</u>
Total comprehensive income	-	(194,918)	(194,918)
Other share capital movements	<u>(720)</u>	<u>-</u>	<u>(720)</u>
At 31 March 2017	<u><u>3,195,500</u></u>	<u><u>(303,723)</u></u>	<u><u>2,891,777</u></u>

	Share capital	Profit and loss	Total
	£	£	£
At 1 April 2015	2,222,170	(8,795)	2,213,375
Loss for the year	<u>-</u>	<u>(100,010)</u>	<u>(100,010)</u>
Total comprehensive income	-	(100,010)	(100,010)
New share capital subscribed	<u>974,050</u>	<u>-</u>	<u>974,050</u>
At 31 March 2016	<u><u>3,196,220</u></u>	<u><u>(108,805)</u></u>	<u><u>3,087,415</u></u>

The notes on pages 13 to 19 form an integral part of these financial statements.

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a Community Benefit Society limited by shares under the Co-operative and Community Benefit Societies Act 2014.

The address of its registered office is:

The Coach House
2 Upper York Street
Bristol
BS2 8QN

These financial statements were authorised for issue by the Board on 28 September 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

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

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2017.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Revenue recognition

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

The group recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the group's activities.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

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

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Asset class	Depreciation method and rate
Solar installations	20 years straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

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

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

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2017	2016
	£	£
Sale of electricity	<u>317,709</u>	<u>268,765</u>

4 Operating profit

Arrived at after charging/(crediting)

	2017	2016
	£	£
Depreciation expense	<u>156,836</u>	<u>121,800</u>

5 Other interest receivable and similar income

	2017	2016
	£	£
Interest income on bank deposits	<u>46</u>	<u>649</u>

6 Interest payable and similar expenses

	2017	2016
	£	£
Interest on bank overdrafts and borrowings	196	-
Interest payable on members' shares	<u>158,973</u>	<u>88,818</u>
	<u>159,169</u>	<u>88,818</u>

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

7 Tangible assets

Group

	Solar installations £	Total £
Cost or valuation		
At 1 April 2016	3,138,674	3,138,674
Transfers	(205)	(205)
At 31 March 2017	3,138,469	3,138,469
Depreciation		
At 1 April 2016	121,800	121,800
Charge for the year	156,836	156,836
At 31 March 2017	278,636	278,636
Carrying amount		
At 31 March 2017	2,859,833	2,859,833
At 31 March 2016	3,016,874	3,016,874

Company

	Solar installations £	Total £
Cost or valuation		
At 1 April 2016	73,045	73,045
At 31 March 2017	73,045	73,045
Depreciation		
At 1 April 2016	896	896
Charge for the year	3,584	3,584
At 31 March 2017	4,480	4,480
Carrying amount		
At 31 March 2017	68,565	68,565
At 31 March 2016	72,149	72,149

8 Investments

Company

	2017 £	2016 £
Investments in subsidiaries	101	101

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Subsidiaries	£
Cost or valuation	
At 1 April 2016	101
Provision	
Carrying amount	
At 31 March 2017	101
At 31 March 2016	101

9 Debtors

Note	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Trade debtors	10,489	9,544	9,161	-
Amounts owed by related parties	-	-	2,747,473	3,034,818
Other debtors	14,084	10,746	4,477	10,052
Prepayments	19,878	21,610	20,680	20,680
Accrued income	44,479	184,160	837	3,355
Total current trade and other debtors	88,930	226,060	2,782,628	3,068,905

10 Cash and cash equivalents

	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Cash at bank	143,050	88,639	69,214	74,396

11 Creditors

Note	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Due within one year				
Trade creditors	42,581	27,564	24,586	24,336
Social security and other taxes	9,439	1,201	-	-
Other payables	500	500	500	500
Accrued expenses	6,619	136,024	3,645	103,300
	59,139	165,289	28,731	128,136

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

12 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary of £10 each	<u>319,550</u>	<u>3,195,500</u>	<u>319,622</u>	<u>3,196,220</u>

The board has approved an interest payment on members' shares of 5.5% in respect of the year ended 31 March 2017 (2016 - 5.5%). The overall policy is to pay interest at 4% above the rise in price of the Feed In Tariff over a particular period, subject to the long term financial sustainability of the group.

13 Non adjusting events after the financial period

In addition to the community benefit fund payments amounting to £25,380 (including £2,880 donated from waived dividends and other sources) made during the period (and £2,500 in the prior period) in pursuance of a commitment at the 2015 AGM, the 2016 AGM approved a further payment of £22,500 which is to be made during the period ended 31st March 2018. A payment of £15,000 for the period ended 31st March 2019 is to be proposed to members at the forthcoming 2017 AGM.

14 Transition to FRS 102

The society and the group adopted FRS102 1A with effect from 1st April 2016. No prior year adjustments were required as a result of this adoption.

Low Carbon Gordano Limited

Detailed Consolidated Profit and Loss Account for the Year Ended 31 March 2017

	2017 £	2016 £
Turnover (analysed below)	317,709	268,765
Cost of sales (analysed below)	<u>(91,922)</u>	<u>(65,575)</u>
Gross profit	<u>225,787</u>	<u>203,190</u>
Gross profit (%)	71.07%	75.6%
Administrative expenses		
Establishment costs (analysed below)	259	854
General administrative expenses (analysed below)	42,251	13,075
Finance charges (analysed below)	208	433
Depreciation costs (analysed below)	<u>156,836</u>	<u>121,800</u>
	<u>199,554</u>	<u>136,162</u>
Operating profit	<u>26,233</u>	<u>67,028</u>
Other interest receivable and similar income (analysed below)	46	649
Interest payable and similar expenses (analysed below)	<u>(159,169)</u>	<u>(88,818)</u>
	<u>(159,123)</u>	<u>(88,169)</u>
Loss before tax	<u><u>(132,890)</u></u>	<u><u>(21,141)</u></u>

Low Carbon Gordano Limited

Detailed Consolidated Profit and Loss Account for the Year Ended 31 March 2017

	2017 £	2016 £
Turnover		
Feed in tariff	180,984	149,995
Energy export income	128,496	111,796
Other sales	8,229	6,974
	317,709	268,765
Cost of sales		
Direct costs	4,662	5,134
Management fees	26,400	20,100
Rent	15,122	9,511
Rates	8,221	10,500
Insurance	4,940	3,717
Repairs and maintenance	32,577	16,613
	91,922	65,575
Establishment costs		
Insurance	259	854
	259	854
General administrative expenses		
Trade subscriptions	455	320
Charitable donations	25,380	2,500
Travel and subsistence	7	-
Rail, air and taxi fares	2,135	-
Hotel accommodation	270	115
Advertising	870	1,500
Accountancy fees	11,281	7,900
Consultancy fees	133	-
Legal and professional fees	1,720	740
	42,251	13,075
Finance charges		
Bank charges	208	433
	208	433
Depreciation costs		
Depreciation of solar installations (owned)	156,836	121,800
	156,836	121,800
Other interest receivable and similar income		
Bank interest receivable	46	649
	46	649
Interest payable and similar expenses		
Bank interest payable	196	-
Other interest payable	158,973	88,818
	159,169	88,818

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

Low Carbon Gordano Limited

Detailed Company Profit and Loss Account for the Year Ended 31 March 2017

	2017 £	2016 £
Turnover (analysed below)	8,531	3,355
Cost of sales (analysed below)	<u>(63)</u>	<u>-</u>
Gross profit	<u>8,468</u>	<u>3,355</u>
Gross profit (%)	99.26%	100%
Administrative expenses		
Establishment costs (analysed below)	259	854
General administrative expenses (analysed below)	40,391	13,073
Finance charges (analysed below)	-	353
Depreciation costs (analysed below)	<u>3,584</u>	<u>896</u>
	<u>44,234</u>	<u>15,176</u>
Operating loss	<u>(35,766)</u>	<u>(11,821)</u>
Other interest receivable and similar income (analysed below)	17	629
Interest payable and similar expenses (analysed below)	<u>(159,169)</u>	<u>(88,818)</u>
	<u>(159,152)</u>	<u>(88,189)</u>
Loss before tax	<u><u>(194,918)</u></u>	<u><u>(100,010)</u></u>

Low Carbon Gordano Limited

Detailed Company Profit and Loss Account for the Year Ended 31 March 2017

	2017 £	2016 £
Turnover		
Feed in tariff	6,535	818
Energy export income	315	37
Other sales	1,681	2,500
	<u>8,531</u>	<u>3,355</u>
Cost of sales		
Direct costs	<u>63</u>	<u>-</u>
Establishment costs		
Insurance	<u>259</u>	<u>854</u>
General administrative expenses		
Trade subscriptions	455	320
Charitable donations	25,380	2,500
Rail, air and taxi fares	2,135	-
Hotel accommodation	270	115
Advertising	870	1,498
Accountancy fees	11,281	7,900
Legal and professional fees	-	740
	<u>40,391</u>	<u>13,073</u>
Finance charges		
Bank charges	<u>-</u>	<u>(353)</u>
Depreciation costs		
Depreciation of solar installations (owned)	<u>3,584</u>	<u>896</u>
Other interest receivable and similar income		
Bank interest receivable	<u>17</u>	<u>629</u>
Interest payable and similar expenses		
Bank interest payable	196	-
Other interest payable	158,973	88,818
	<u>159,169</u>	<u>88,818</u>

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