

Registration number: 31251R

Low Carbon Gordano Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2018

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

Low Carbon Gordano Limited

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Low Carbon Gordano Limited

Society Information

Directors	Mr R Bate Dr J M Gething Dr E A Bossanyi Dr R J Langton Mr R P Lamoon Dr S A Cayzer Miss H Rumford Mr B J Titley Mr P G Thurston Mr C C Funnell
Society secretary	Mr C C Funnell
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 2018

The directors present their report and the financial statements for the year ended 31 March 2018.

Directors of the society

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

Mr R Bate

Dr J M Gething

Dr E A Bossanyi

Dr R J Langton

Mr G J Watkins (resigned 14 December 2017)

Mr R P Lamoon

Dr S A Cayzer

Miss H Rumford

Mr B J Titley

Mr P G Thurston

Mr C C Funnell - Company secretary and director (appointed 21 February 2018)

Principal activity

The principal activity of the society is 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.

Disclosure of information to the auditors

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

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to societies subject to the small companies regime under the Co-operative and Community Benefit Societies Act 2014.

Approved by the Board on 30 August 2018 and signed on its behalf by:

.....

Mr C C Funnell

Society secretary and director

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 society and of the profit or loss of the society for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Low Carbon Gordano Limited

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

Opinion

We have audited the financial statements of Low Carbon Gordano Limited (the 'society') for the year ended 31 March 2018, which comprise the Income and Expenditure Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Basis for opinion

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

Conclusions relating to going concern

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

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

Low Carbon Gordano Limited

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

Other information

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

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

We have nothing to report in this regard.

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.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Low Carbon Gordano Limited

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

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

PO Box 258
Stroud
Gloucestershire
GL6 8WZ

30 August 2018

Low Carbon Gordano Limited

Income and Expenditure Account for the Year Ended 31 March 2018

	Note	Total 31 March 2018 £	Total 31 March 2017 £
Income		8,111	8,531
Cost of sales		<u>(3,256)</u>	<u>(63)</u>
Gross surplus		4,855	8,468
Administrative expenses		<u>(58,080)</u>	<u>(44,234)</u>
Operating deficit		<u>(53,225)</u>	<u>(35,766)</u>
Other interest receivable and similar income		37	17
Interest payable and similar expenses		<u>(174,115)</u>	<u>(159,169)</u>
		<u>(174,078)</u>	<u>(159,152)</u>
Deficit before tax	3	<u>(227,303)</u>	<u>(194,918)</u>
Deficit for the financial year		<u><u>(227,303)</u></u>	<u><u>(194,918)</u></u>

The above results were derived from continuing operations.

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

The notes on pages 10 to 14 form an integral part of these financial statements.

Low Carbon Gordano Limited
(Registration number: 31251R)
Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	65,994	68,565
Investments	5	101	101
		<u>66,095</u>	<u>68,666</u>
Current assets			
Debtors	6	2,529,613	2,782,628
Cash at bank and in hand		68,523	69,214
		2,598,136	2,851,842
Creditors: Amounts falling due within one year	7	<u>(10,757)</u>	<u>(28,731)</u>
Net current assets		<u>2,587,379</u>	<u>2,823,111</u>
Net assets		<u>2,653,474</u>	<u>2,891,777</u>
Capital and reserves			
Called up share capital		3,184,500	3,195,500
Income and expenditure account		<u>(531,026)</u>	<u>(303,723)</u>
Total equity		<u>2,653,474</u>	<u>2,891,777</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within the Co-operative and Community Benefit Societies Act 2014.

Approved and authorised by the Board on 30 August 2018 and signed on its behalf by:

.....
Mr R Bate
Director

.....
Dr J M Gething
Director

.....
Dr R J Langton
Director

The notes on pages 10 to 14 form an integral part of these financial statements.

Low Carbon Gordano Limited

Statement of Changes in Equity for the Year Ended 31 March 2018

	Share capital	Income and expenditure account	Total
	£	£	£
At 1 April 2017	3,195,500	(303,723)	2,891,777
Deficit for the year	-	(227,303)	(227,303)
Total comprehensive income	-	(227,303)	(227,303)
Purchase of own share capital	(11,000)	-	(11,000)
At 31 March 2018	<u>3,184,500</u>	<u>(531,026)</u>	<u>2,653,474</u>

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

The notes on pages 10 to 14 form an integral part of these financial statements.

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

1 General information

The entity 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
United Kingdom

These financial statements were authorised for issue by the Board on 30 August 2018.

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.

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 society's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The society 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 society's activities.

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

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:

Asset class	Depreciation method and rate
Solar Installations	5% 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.

Trade debtors

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

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

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

Trade 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 society 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.

3 Deficit before tax

Arrived at after charging/(crediting)

	2018	2017
	£	£
Depreciation expense	<u>3,584</u>	<u>3,584</u>

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

4 Tangible assets

	Solar installations £	Total £
Cost or valuation		
At 1 April 2017	73,045	73,045
Additions	1,013	1,013
At 31 March 2018	74,058	74,058
Depreciation		
At 1 April 2017	4,480	4,480
Charge for the year	3,584	3,584
At 31 March 2018	8,064	8,064
Carrying amount		
At 31 March 2018	65,994	65,994
At 31 March 2017	68,565	68,565

5 Investments

	2018 £	2017 £
Investments in subsidiaries	101	101
Subsidiaries		£
Cost or valuation		
At 1 April 2017		101
Provision		
Carrying amount		
At 31 March 2018		101
At 31 March 2017		101

Low Carbon Gordano Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

6 Debtors

	Note	2018 £	2017 £
Trade debtors		9,387	9,161
Amounts owed by group undertakings and undertakings in which the company has a participating interest		2,486,614	2,747,473
Other debtors		<u>33,612</u>	<u>25,994</u>
Total current trade and other debtors		<u><u>2,529,613</u></u>	<u><u>2,782,628</u></u>

7 Creditors

	Note	2018 £	2017 £
Due within one year			
Trade creditors		9,789	24,586
Other creditors		<u>968</u>	<u>4,145</u>
		<u><u>10,757</u></u>	<u><u>28,731</u></u>

Low Carbon Gordano Limited

Detailed Income and Expenditure Account for the Year Ended 31 March 2018

	2018 £	2017 £
Income (analysed below)	8,111	8,531
Cost of sales (analysed below)	<u>3,256</u>	<u>63</u>
Gross surplus	<u>4,855</u>	<u>8,468</u>
Gross surplus (%)	59.86%	99.26%
Administrative expenses		
Establishment costs (analysed below)	875	259
General administrative expenses (analysed below)	53,392	40,391
Finance charges (analysed below)	229	-
Depreciation costs (analysed below)	<u>3,584</u>	<u>3,584</u>
	<u>58,080</u>	<u>44,234</u>
Operating deficit	<u>(53,225)</u>	<u>(35,766)</u>
Other interest receivable and similar income (analysed below)	37	17
Interest payable and similar charges (analysed below)	<u>(174,115)</u>	<u>(159,169)</u>
	<u>(174,078)</u>	<u>(159,152)</u>
Deficit before tax	<u><u>(227,303)</u></u>	<u><u>(194,918)</u></u>

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

Low Carbon Gordano Limited

Detailed Income and Expenditure Account for the Year Ended 31 March 2018

	2018 £	2017 £
Turnover		
Feed in tariff	6,354	6,535
Energy export income	305	315
On site usage	1,452	1,681
	8,111	8,531
Cost of sales		
Metering and monitoring	2,307	-
Operations and maintenance	949	63
	3,256	63
Establishment costs		
Insurance	875	259
General administrative expenses		
Printing, postage and stationery	219	-
Trade subscriptions	620	455
Charitable donations	26,672	25,380
Development	3,438	2,135
Governance costs	121	270
Advertising	357	870
Accountancy fees	17,635	11,281
Legal and professional fees	4,330	-
	53,392	40,391
Finance charges		
Bank charges	229	-
Depreciation costs		
Depreciation of solar installations (owned)	3,584	3,584
Other interest receivable and similar income		
Bank interest receivable	37	17

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

Low Carbon Gordano Limited

Detailed Income and Expenditure Account for the Year Ended 31 March 2018

Interest payable and similar expenses

Bank interest payable	3	196
Other interest payable	<u>174,112</u>	<u>158,973</u>
	<u>174,115</u>	<u>159,169</u>

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