

**REPORT OF THE DIRECTOR AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
FOR
BRIGHTON & HOVE ENERGY SERVICE COOPERATIVE LIMITED**

BRIGHTON & HOVE ENERGY SERVICE COOPERATIVE LIMITED

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FOR THE YEAR ENDED 31 MARCH 2015**

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BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2015**

DIRECTORS:

Ms K Ente
O Pendered
A Hunt
J Nugent appointed 1 December 2014
Ms D Smith appointed 1 December 2014
Ms R Espinosa appointed 1 December 2014

SECRETARY:

Ms K Ente

REGISTERED OFFICE:

39-41 Surrey Street
Brighton
East Sussex
BN1 3PB

REGISTERED NUMBER:

IP032097R (England and Wales)

ACCOUNTANTS:

Cardens Accountants LLP
The Old Casino
28 Fourth Avenue
Hove
East Sussex
BN3 2PJ

BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

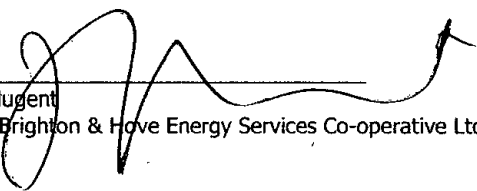
It is with pleasure and a great deal of optimism that I deliver this report on the trading activities of BHESCo to 31 March 2015. I joined the Board of Directors as Chairman for the last four months of the financial year. Since then, BHESCo has consolidated its operational structure and prepared its first offer of shares to members which was completed in the months following the financial year end.

I am delighted to be a part of the governance team of an organisation that is working hard to facilitate the needed transition from fossil fuels to an energy infrastructure that is based on clean, renewable sources like sun, wind, biomass and biofuels.

We, as a management team, are hopeful that BHESCo will be able to become a self-sustaining organisation, regardless of changes in government legislation. BHESCo will create new services that continue to benefit the community. We welcome all new members who want to take part in our efforts to create a fairer, more equitable society.

Auditors

There was no auditor required for the year ending 31 March 2015.



John Nugent
Chair, Brighton & Hove Energy Services Co-operative Ltd

BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

REPORT OF THE DIRECTOR FOR THE YEAR ENDED 31 MARCH 2015

The directors presents their report with the financial statements of the company for the year ended 31 March 2015.

This report is prepared in accordance with the Best Code of Practice adopted by Co-operatives UK in 2005. The Code sets out the recommended best practice on issues of governance for the co-operative sector and performance is assessed every year.

On 19 February 2015, in order to simplify the company structure, the Board voted to merge the activities of Brighton and Hove Energy Services (BHESCo) Ltd., a company formed to develop projects into Brighton and Hove Energy Services (BHESCo) Co-operative Ltd. The net assets and equity of BHESCo Ltd were transferred to the BHESCo Co-operative Ltd for one peppercorn. The transaction is reflected in these accounts.

During the year, BHESCo had two champions in the Big Energy Savings Network. We continued our project with the Hove Station Neighbourhoods forum, we won a Community Energy Action award for our work with Hanover Action for Sustainable Living and we continued our development of renewable energy and energy efficiency projects in preparation for the sales of shares to new members.

The Co-operative incurred a loss of £15,076 for the year, most of the cost was for payment of salaries and the running costs of various programmes.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the principle activity of the co-operative is the fulfilment of its mission to help its members save money on their energy bills through the generation of renewable energy and the provision of energy saving advice.

DIRECTORS

The directors who served during the year were:-

Kayla Ente	
Alex Hunt	
Ollie Pendered	
John Nugent	appointed 1 December 2014
Diane Smith	appointed 1 December 2014
Rachel Espinosa	appointed 1 December 2014

Three directors stood down and were re-appointed at the Annual General Meeting. Three more directors were appointed on 1 December 2014 as shown above.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

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

The regulations of the Co-operative require 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 then 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 Co-operative will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Co-operative 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 Co-operative and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

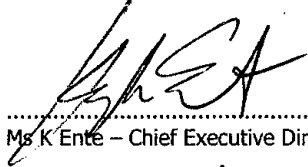
**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 MARCH 2015**

STATEMENT OF DIRECTOR'S RESPONSIBILITIES - continued

Board Procedures

The Board meets four times a year, or more often if required, to review its operations, taking any necessary decisions about the governance and management of the Co-operative.

This report was approved by the directors of Brighton and Hove Energy Services Co-operative Ltd on 30 September 2015 and signed on its behalf by Ms K Ente on behalf of the Board:


.....
Ms K Ente – Chief Executive Director

Date: 30/9/2015
.....

BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015**

	Notes	2015 £	2014 £
TURNOVER		24,935	6,864
Cost of sales		<u>488</u>	<u>-</u>
GROSS PROFIT		24,447	6,864
Administrative expenses		<u>39,787</u>	<u>12,361</u>
OPERATING LOSS and LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(15,340)	(5,497)
Tax on loss on ordinary activities	3	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(15,340)	(5,497)
Deficit brought forward		<u>(5,497)</u>	<u>-</u>
DEFICIT CARRIED FORWARD		<u>(20,837)</u>	<u>(5,497)</u>

The notes form part of these financial statements

BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

**BALANCE SHEET
31 MARCH 2015**

	Notes	2015 £	2014 £
FIXED ASSETS			
Intangible assets	4	45,000	-
Tangible assets	5	<u>7,133</u>	<u>972</u>
		52,133	972
CURRENT ASSETS			
Debtors	6	11,219	1,853
Cash at bank		<u>1,981</u>	<u>1,818</u>
		13,200	3,671
CREDITORS			
Amounts falling due within one year	7	<u>34,435</u>	<u>10,040</u>
NET CURRENT LIABILITIES		<u>(21,235)</u>	<u>(6,369)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		30,898	(5,397)
CREDITORS			
Amounts falling due after more than one year	8	<u>51,675</u>	-
NET LIABILITIES		<u>(20,777)</u>	<u>(5,397)</u>
CAPITAL AND RESERVES			
Called up share capital	9	60	100
Profit and loss account		<u>(20,837)</u>	<u>(5,497)</u>
SHAREHOLDERS' FUNDS		<u>(20,777)</u>	<u>(5,397)</u>

The Co-operative is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2015.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2015 in accordance with Section 476 of the Companies Act 2006.

In accordance with section 84 of the Co-operative and Community Benefit Societies Act 2014 a reporting accountant has been appointed as the members voted a resolution to disapply section 83 of the Act.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.


The notes form part of these financial statements

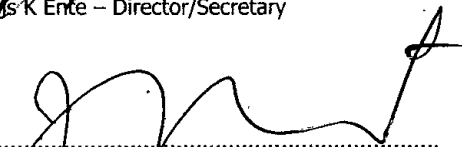
BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

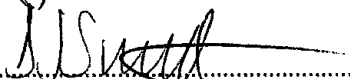
BALANCE SHEET - continued
31 MARCH 2015

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the members at the Annual General Meeting on 30 September 2015 and were signed by:


.....
Ms K Erte - Director/Secretary


.....
Mr J Nugent - Chairman


.....
Ms D Smith - Director

The notes form part of these financial statements

BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Changes in presentation during the year

In February 2015, the Board voted to merge the activities of Brighton and Hove Energy Services (BHESCO) Ltd., a company formed to develop projects into Brighton and Hove Energy Services (BHESCO) Co-operative Ltd. The net assets and equity of BHESCO Ltd were transferred to the BHESCO Co-operative Ltd for one peppercorn. The activities of both entities have been prepared combined in these financial statements.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Intangible fixed assets

Brighton & Hove Energy Services Cooperative Limited (BHESCO) acquired the intellectual property held in the merger with BHESCO Ltd. The intellectual property values were accumulated in the two years that BHESCO Ltd traded. The assets include network, including Community Energy South, the financial model, logo and marketing materials and the business model and business plan. The assets are being amortised over ten (10) years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment -	33%
Fixtures and fittings -	20%
Plant and machinery -	20%

2. OPERATING LOSS

The operating loss is stated after charging:

	2015	2014
	£	£
Depreciation - owned assets	799	160
Patents and licences amortisation	<u>5,000</u>	<u>-</u>
Director's remuneration	<u>10,000</u>	<u>-</u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2015 nor for the year ended 31 March 2014.

4. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
Additions	<u>50,000</u>
At 31 March 2015	50,000

AMORTISATION

Amortisation for year

5,000

At 31 March 2015

5,000**NET BOOK VALUE**

At 31 March 2015

45,000**5. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2014	-	-	1,132	1,132
Additions	<u>2,990</u>	<u>3,538</u>	<u>432</u>	<u>6,960</u>
At 31 March 2015	<u>2,990</u>	<u>3,538</u>	<u>1,564</u>	<u>8,092</u>
DEPRECIATION				
At 1 April 2014	-	-	160	160
Charge for year	<u>100</u>	<u>207</u>	<u>492</u>	<u>799</u>
At 31 March 2015	<u>100</u>	<u>207</u>	<u>652</u>	<u>959</u>
NET BOOK VALUE				
At 31 March 2015	<u>2,890</u>	<u>3,331</u>	<u>912</u>	<u>7,133</u>
At 31 March 2014	<u>-</u>	<u>-</u>	<u>972</u>	<u>972</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Other debtors	60	-
Deposits held	150	150
VAT	<u>11,009</u>	<u>1,703</u>
	<u>11,219</u>	<u>1,853</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Bank loans and overdrafts	100	-
Trade creditors	1,773	4,527
Social security and other taxes	963	-
Other creditors	11,009	-
Directors' loan accounts	19,296	5,513
Accrued expenses	<u>1,294</u>	<u>-</u>
	<u>34,435</u>	<u>10,040</u>

BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2015**

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015	2014
	£	£
Other creditors	<u>51,675</u>	<u>-</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2015	2014
Number:	Class:	Nominal value:	£	£
6	Ordinary A Shares	10	<u>60</u>	<u>100</u>

Transactions during year

1 Dec 2014 - Return of shares from Ente Consulting Ltd - 100

19 Feb 2015 - Issue of shares to record Directors membership shares - 60

The share capital consists of 6 Ordinary A shares.

10. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

During 2014 BHES Ltd transferred its assets and liabilities to BHESCo including £20k of intangible assets acquired from Kayla Ente. Kayla has deferred the payment of this to her and the £20k due to her is included within current liabilities.

	2015	2014
	£	£
Ms K Ente		
Balance outstanding at start of year	(5,513)	-
Amounts repaid	3,550	-
Amounts advanced	(17,332)	(5,513)
Balance outstanding at end of year	(19,295)	(5,513)

In addition to the above, within long term creditors, there is £51,675 owed to Kayla Ente in respect of intellectual property transferred from BHES Ltd. Kayla has deferred the payment of this to her for five years.

11. POST BALANCE SHEET ACTIVITY

During its first fundraising drive, BHESCo gained 59 new members investing £142,950. BHESCo's directors invested £2,050.

BRIGHTON & HOVE ENERGY SERVICE CO-OPERATIVE LIMITED

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015**

	2015		2014	
	£	£	£	£
Sales		24,935		6,864
Cost of sales				
Purchases	25		-	
Sub-contractors	<u>463</u>		<u>-</u>	
		<u>488</u>		<u>-</u>
GROSS PROFIT		24,447		6,864
Expenditure				
Rent	1,683		900	
Insurance	612		-	
Directors' salaries	10,000		-	
Wages	13,021		-	
Hire of plant and machinery	51		-	
Meetings and conferences	349		610	
Telephone	140		-	
Post and stationery	1,043		393	
Advertising	839		3,234	
Travelling & Subsistence	1,042		117	
Motor expenses	104		-	
Repairs and renewals	187		43	
Computer consumables	1,726		124	
Subscriptions	188		-	
Sundry expenses	2		-	
Accountancy	1,346		1	
Consulting	1,391		6,743	
Donations	10		-	
Entertainment	<u>46</u>		<u>-</u>	
		<u>33,780</u>		<u>12,165</u>
		(9,333)		(5,301)
Finance costs				
Bank charges	82		-	
Credit card	<u>126</u>		<u>36</u>	
		<u>208</u>		<u>36</u>
		(9,541)		(5,337)
Depreciation				
Patents and licences	5,000		-	
Plant and machinery	100		-	
Fixtures and fittings	207		-	
Computer equipment	<u>492</u>		<u>160</u>	
		<u>5,799</u>		<u>160</u>
NET LOSS		<u>(15,340)</u>		<u>(5,497)</u>

This page does not form part of the statutory financial statements