

SMICOP LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



SMICOP LIMITED

(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	Ms C Hemmens Mr P B P Tonkinson Mr K R Woollard Mr R Finch Mr A Gonzalez
Company secretary	Mr G C Drake
Registered number	09136180
Registered office	Third Floor Northumberland House 303-306 High Hoborn London WC1V 7JZ
Independent auditors	BDO UK LLP 150 Aldersgate Street London EC1A 4AB

SMICOP LIMITED**(A Company Limited by Guarantee)**

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SMICOP LIMITED

(A Company Limited by Guarantee)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

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

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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;
- 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 to 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.

Principal activity

The principal activity of the company is that of managing and maintaining the SMICoP agreement.

Results

The profit for the year, after taxation, amounted to £nil.

Directors

The directors who served during the year were:

Ms C Hemmens
Mr D M Mountford (resigned 16 February 2018)
Mr P B P Tonkinson
Mr K R Woollard
Ms M Gander (resigned 11 January 2018)
Mr R Finch (appointed 21 February 2018)
Mr A Gonzalez (appointed 11 January 2018)

SMICOP LIMITED

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**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

Future developments

During the course of the year, the SMICoP Governance Board and its various working groups considered a number matters, such as asking Domestic Customers additional questions to understand how Suppliers were doing when tailoring Energy Efficiency Guidance, ensuring that the right mechanism was in place under SMICoP Ltd to divide the budget between members depending on their Domestic/Micro-business, Gas/Electric market share (relative to the other SMICoP Ltd Members) and ensuring that the code overall, its guidance and its processes are clear to all Suppliers, thus ensuring the right submission are made to meet their obligations.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:


- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Subsequent events

There have been no significant events affecting the Company since the year end.

This report was approved by the board on

and signed on its behalf.

 28/03/19

Claire Hemmens
Director

SMICOP LIMITED

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SMICOP LIMITED

Opinion

We have audited the financial statements of SMICoP Limited for the year ended 31 December 2018, which comprise the statement of comprehensive income, statement of financial position 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 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

SMICOP LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SMICOP LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the 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 matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.

SMICOP LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SMICOP LIMITED

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

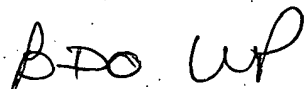
Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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. The description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Willis (Senior Statutory Auditor)

for and on behalf of
BDO UK LLP

150 Aldersgate Street
London
EC1A 4AB

Date: 28/3/2019

SMICOP LIMITED**(A Company Limited by Guarantee)****STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 £	2017 £
Turnover	165,821	179,908
Gross profit	165,821	179,908
Administrative expenses	(165,821)	(179,908)
Operating profit	-	-
Profit for the financial year	-	-

There was no other comprehensive income for 2018 (2017: £nil).

The notes on pages 8 to 10 form part of these financial statements.

SMICOP LIMITED

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 09136180**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

	Note	2018 £	2017 £
Current assets			
Debtors: amounts falling due within one year	6	51,994	81,028
Cash at bank and in hand	7	114,030	89,940
		<u>166,024</u>	<u>170,968</u>
Creditors: amounts falling due within one year	8	(166,024)	(170,968)
Net current assets		-	-
Total assets less current liabilities		-	-
Net assets		-	-
Capital and reserves		-	-

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on


Claire Hemmens
Director

28/03/19

The notes on pages 8 to 10 form part of these financial statements.

SMICOP LIMITED

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 09136180**

1. General information

The company is a private company limited by guarantee, registered in England & Wales. The address of the registered office is Northumberland House, 303-306 High Holborn, London, WC1V 7JZ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on the historical cost basis unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company has, under FRS 102 Section 1A, claimed exemption from preparing a cash flow statement.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue represents the value of the recoverable costs borne by the company during the year under the Smart Meter Installation Code of Practice Agreement (SMICOP) and recoverable from the parties to the agreement. Where a party to the agreements has been invoiced on account during the year for a sum greater than their share of recoverable costs, the balance is included in creditors as other creditors, and where a party's share of recoverable costs exceeds their payment on account the balance is included in debtors as accrued income.

2.3 Trade debtors

Trade debtors are amounts due from members in respect of their share of costs. Trade debtors are recognised at the undiscounted amount of cash receivable, less any provision for bad debts.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable within 3 months.

2.5 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other receivables and payables.

2.6 Accruals

Accruals represent expenditure incurred, but not yet invoiced, in the year. They are measured initially at transaction price.

SMICOP LIMITED**(A Company Limited by Guarantee)
REGISTERED NUMBER: 09136180****3. Critical accounting judgements and key sources of estimation uncertainty**

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosures of contingent assets and liabilities. Use of available information and application of judgements are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Management do not consider that there are significant judgements, estimates and assumptions that may cause amounts recognised or disclosed to change in the following reporting periods.

4. Auditors' remuneration

	2018 £	2017 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>5,250</u>	<u>5,000</u>
Fees payable to the Company's auditor and its associates in respect of:		
Corporation tax compliance services	1,250	1,250
	<u>1,250</u>	<u>1,250</u>

5. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2017 - £NIL).

6. Debtors

	2018 £	2017 £
Trade debtors	51,173	66,307
Prepayments and accrued income	-	14,721
Other debtors	821	-
	<u>51,994</u>	<u>81,028</u>

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	114,030	89,940
	<u>114,030</u>	<u>89,940</u>

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REGISTERED NUMBER: 09136180**

8. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	42,494	22,206
Other taxation and social security	-	12,258
Other creditors	11,669	13,537
Accruals and deferred income	111,861	122,967
	<u>166,024</u>	<u>170,968</u>

9. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

10. Controlling party

The directors agree that there is no controlling party.

SMICOP LIMITED**(A Company Limited by Guarantee)****DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 £	2017 £
Turnover		165,821	179,908
Gross profit		<u>165,821</u>	<u>179,908</u>
Gross profit %		100.0%	100.0%
Less: overheads			
Administration expenses		(165,821)	(179,908)
Operating profit		<u>-</u>	<u>-</u>
Profit for the year		<u>-</u>	<u>-</u>

SMICOP LIMITED**(A Company Limited by Guarantee)****SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018 £	2017 £
Turnover		
SMICoP agreement charges	165,821	179,908
	<u>165,821</u>	<u>179,908</u>
	2018 £	2017 £
Administration expenses		
Website support and maintenance	12,300	12,300
Secretarial services	92,068	92,067
Legal fees	28,701	29,300
Auditors' remuneration	4,700	5,000
Auditors' remuneration - non-audit	(1,250)	1,250
Bank charges	147	131
Insurances	3,058	3,001
Meeting costs	3,050	11,196
SMICoP Forum	-	3,500
Competition Act	-	3,500
Data Protection assessment	-	4,000
Brexit preparation	1,500	3,000
SMICoP review	(313)	11,663
GDPR Phase 2	1,860	-
Website development	20,000	-
	<u>165,821</u>	<u>179,908</u>