

Ebico Limited

Accounts 31 December 2016
together with directors' report

Registered number: 3507095



Directors' report

The directors present their annual report on the affairs of the Company, for the year ended 31 December 2016

Principal activity and business review

The principal activity of the Company during the year was the retail marketing of equitable electricity and gas tariffs. The company is an unlicensed energy provider, (sometimes known as a White Label) that has a contractual agreement with a licensed supplier to sell gas and electricity to consumers, using the Ebico brand. The Ebico branded tariffs marketed by the Company are supplied in partnership by an Ofgem licensed energy supplier, who deals with matters such as the purchase of wholesale energy, metering and billing. The Company earns income on a commission basis. The Company is a "not for profit" enterprise, donating a substantial proportion of its income to The Ebico Trust for Sustainable Development, which is engaged in tackling fuel poverty.

With effect from 28th February 2017 the partnership agreement, under which the Company receives commission, was terminated. During 2016 substantially all of the Company's revenue arose under the partnership agreement with SSE, and a considerable reduction in Company turnover is anticipated for the financial year ending on 31st December 2017.

The Company's subsidiary, Ebico Trading Ltd, has negotiated a replacement partnership agreement with Robin Hood Energy Ltd (RHE) and trading under this agreement commenced on 26th January 2017. The Company expects that the new energy supply partnership with RHE will give a strong base from which to generate future income for the Company.

Results and dividends

The profit for the period after taxation amounted to £11,125 (2015 - £18,853.)

Donations

During the year the company made charitable contributions amounting to £273,000 (2015 - £220,000.)

Directors

The directors who served during the year were as follows:

H E O Balfour

J C H Lee

P J C Levermore

P J Bridgewater

S G Knight

Appointed 17th June 2016

W A Mellanby

Resigned 18th February 2016

Directors' report (continued)

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

So far as each of the directors at the time the report is approved are aware:

- (a) there is no relevant audit information of which the company's auditor is unaware; and
- (b) the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

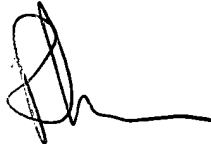
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Carpenter's Workshop

The Sawmills
Swan Lane
Combe, OX29 8ET
24 March 2017

By order of the Board,

P J C Levermore, Secretary



Statement of directors' responsibilities

Directors' responsibilities

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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 estimates that are reasonable and prudent;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Auditor's report

Independent auditor's report to the members of Ebico Limited.

We have audited the financial statements of Ebico Limited for the year ended 31 December 2016 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Auditor's report (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

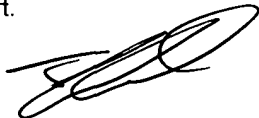
Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 exemption from the requirement to prepare a strategic report.



James Ledward (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

Arlington Business Park

Theale

Reading

RG7 4SD

United Kingdom

5 April 2017

Income Statement

For the year ended 31 December 2016

	Note	2016 £	2015 £
Turnover		1,200,486	1,176,770
Cost of sales		(109,526)	(197,590)
Gross profit		1,090,960	979,180
Administrative expenses		(813,756)	(741,577)
Operating profit	5	277,204	237,603
Charitable Donations	6	(273,000)	(220,000)
Interest receivable and similar income	4	9,993	9,193
Profit on ordinary activities before taxation		14,197	26,796
Tax on profit on ordinary activities	8	(3,072)	(7,943)
Profit on ordinary activities after taxation		11,125	18,853

There were no recognised gains and losses other than the profit for the financial period.

The accompanying notes are an integral part of this income statement.

Statement of Financial Position


As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	9	5,260	16,376
Investments	10	58,393	58,493
		<u>63,653</u>	<u>74,869</u>
Current assets			
Debtors	11	150,712	201,125
Cash at bank and in hand		1,709,854	1,622,831
		<u>1,860,566</u>	<u>1,823,956</u>
Creditors: Amounts falling due within one year	12	<u>(187,832)</u>	<u>(170,862)</u>
Net current assets		<u>1,672,734</u>	<u>1,653,094</u>
Total assets less current liabilities		<u>1,736,387</u>	<u>1,727,963</u>
Provisions for liabilities and charges	13	<u>(1,052)</u>	<u>(3,753)</u>
Net assets		<u>1,735,335</u>	<u>1,724,210</u>
Capital and reserves			
Profit and loss account		<u>1,735,335</u>	<u>1,724,210</u>
Members' funds		<u>1,735,335</u>	<u>1,724,210</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – Small Entities.

The notes form part of these accounts.

The financial statements were approved by the Board of Directors on 24 March 2017 and were signed on its behalf by


HEO Balfour
Director

Statement of changes in equity
 For the year ended 31 December 2016

	Notes	Profit and Loss account £	Total £
At 1 January 2015		1,705,357	1,705,357
Profit for the financial year 2015		<u>18,353</u>	<u>18,853</u>
At 31 December 2015		1,724,210	1,724,210
Profit for the financial year 2016		<u>11,125</u>	<u>11,125</u>
At 31 December 2016		<u><u>1,735,335</u></u>	<u><u>1,735,335</u></u>

The notes form part of these accounts.

Notes to accounts (continued)

31 December 2016

1 Statutory information

Ebico Limited is a private company, limited by guarantee, registered in England and Wales, registration number 3507095. The registered office and principal place of business is the Carpenters Workshop, Units 2A and 2B, Combe, Witney, OX29 8ET.

2 Compliance with accounting standards

The accounts have been prepared in accordance with the special provisions in part 15 of the Companies Act 2006 relating to small companies, and in accordance with the provisions of FRS 102 Section 1A small entities. There are no material departures from this standard. The Company transitioned from previously extant UK GAAP to FRS 102 as at 1 January 2015. In the transition the Company has made no measurement and recognition adjustments.

3 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the period, is set out below:

a) Basis of accounting

The accounts have been prepared under the historical cost convention.

b) Basis of consolidation

The company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

c) Tangible fixed assets

Depreciation is calculated so as to write off the cost of tangible fixed assets, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Office equipment	33%
Computer equipment	50%

d) Taxation

UK Corporation tax payable is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

e) Investments

Investments in subsidiary undertaking and associated companies are stated at cost, less any provisions for impairment.

f) Operating lease agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

Notes to accounts (continued)

31 December 2016

Prior to the adoption of FRS 102, the company had recognised structured rent increases on an incurred basis. FRS 102 requires such structures to be recognised over the life of the lease but includes an exemption which allows an entity to continue with that policy for leases entered into before the date of transition. The company has taken advantage of the exemption and accordingly there is no adjustment to the balance sheet on transition to FRS102 at 1 January 2015.

g) Post-retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

h) Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

j) Turnover

Turnover represents the amounts invoiced for goods and services, stated net of value added tax.

4 Interest receivable

	2016 £	2015 £
Bank interest receivable	<u>9,993</u>	<u>9,193</u>

5 Operating profit

Operating profit on ordinary activities before taxation is stated after charging:

	2016 £	2015 £
Depreciation of owned fixed assets	11,116	15,820
Operating lease rentals – land and buildings	36,019	29,150
Auditor's fees for audit of these financial statements and other services	8,242	8,180
Directors' remuneration	119,625	100,695
Contributions to Directors' money purchase pension schemes	<u>8,398</u>	<u>8,295</u>

Notes to accounts (continued)

31 December 2016

6 Charitable Donations

	2016 £	2015 £
Donations to the Ebico Trust for Sustainable Development	<u>273,000</u>	<u>220,000</u>

The Company is a not-for-profit organization, our mission is to help those affected by fuel poverty. Surplus revenues are used to further achieve this objective, by means of donations to the Ebico Trust for Sustainable Development – a registered charity. The Company is incorporated as a company limited by guarantee, and as such profits are not paid to shareholders as dividends.

7 Staff costs (including directors)

	2016 £	2015 £
Wages and salaries	262,562	263,191
Social security costs	24,485	26,014
Other pension costs	13,561	14,943
	<u>300,608</u>	<u>304,148</u>

	2016	2015
The average monthly number of employees, including directors	<u>8</u>	<u>7</u>

8 Tax on profit on ordinary activities

	2016 £	2015 £
United Kingdom corporation tax charge based on profits for the year	5,844	-
Deferred taxation charge/(credit)	(2,743)	5,999
Adjustments in respect of prior years	(29)	1,944
	<u>3,072</u>	<u>7,943</u>

Notes to accounts (continued)

31 December 2016

9 Tangible fixed assets

	Total £
Cost:	
At 1 January 2016	39,589
Additions during the year	-
At 31 December 2016	<u>39,589</u>
Depreciation:	
At 1 January 2016	23,213
Provided during the year	11,116
At 31 December 2016	<u>34,329</u>
Net book value	
At 31 December 2015	<u>16,376</u>
At 31 December 2016	<u>5,260</u>

10 Investments

	2016 £	2015 £
Investments in subsidiary and associated companies		
At start of year	58,493	58,393
Additions during the year	-	100
Provisions during the year	(100)	-
At end of year	<u>58,393</u>	<u>58,493</u>

The company owns 100% of the issued ordinary share capital of Social Ventures in Energy Limited and Ebico Trading Limited. It also owns 42.5% of the issued ordinary share capital in Eden Solarfair Limited. All are incorporated in the UK.

	2016 £	2015 £
Aggregate capital and reserves		
Social Ventures in Energy Limited	(6,625)	(6,625)
Ebico Trading Limited	9,700	100
Eden Solarfair Limited	<u>143,966</u>	<u>141,321</u>
Profit/(loss) for the year after taxation		
Social Ventures in Energy Limited	0	(2,216)
Ebico Trading Limited	9,600	0
Eden Solarfair Limited	<u>7,342</u>	<u>4,257</u>

Notes to accounts (continued)

31 December 2016

11 Debtors: amounts falling due within one year

	2016 £	2015 £
Trade debtors	118,165	137,044
Prepayments and accrued income	18,224	18,475
Amounts due from group undertakings	-	32,106
Deferred Tax asset	823	-
Other debtors	13,500	13,500
	<u>150,712</u>	<u>201,125</u>

12 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	30,979	16,301
Accruals and deferred income	104,164	76,098
Amounts due to group undertakings	12,991	37,177
Taxation and social security costs	38,342	39,474
Other creditors	1,356	1,812
	<u>187,832</u>	<u>170,862</u>

13 Provisions for liabilities and charges: Deferred Taxation

	2016 £	2015 £
At start of year	3,753	6,236
Charge/(credit) for the year	(2,743)	5,999
Adjustment in respect of prior years	(781)	1,743
Allocation against debtors: amounts falling due within one year	823	(10,225)
Balance at end of year	<u>1,052</u>	<u>3,753</u>

The elements of deferred taxation are as follows: (asset)/liability

Difference between accumulated depreciation and capital allowances	1,052	3,275
Other timing differences	(823)	478
Net (asset)/liability	<u>229</u>	<u>3,753</u>

14 Financial Commitments

Operating leases

13 EBICO LIMITED registered number 3507095

Notes to accounts (continued)

31 December 2016

Future minimum rentals payable under non-cancellable operating leases are as follows:

	Land and Buildings	
	2016 £	2015 £
within 1 year	21,875	31,875
In 2 to 5 years	-	21,875
	<u>21,875</u>	<u>53,750</u>

15 Pension commitments

Included within other creditors is an amount of £506 (2015 - £33) being unpaid pension commitments at the year end.

16 Related Party Disclosures

The company makes donations to The Ebico Trust for Sustainable Development, a registered charity (number 1127587) of which P J C Levermore and J C H Lee are Trustees. During the year donations were made to the charity totalling £273,000 (2015 - £220,000).

At the year end Ebico Limited held 42.5% of the ordinary share capital in Eden Solarfair Limited. During the year Eden Solarfair Limited made loan repayments totalling £nil (2015: £14,893) to Ebico Limited. At the year-end Eden Solarfair Limited owed Ebico Limited £nil (2015: £nil).

Ebico Trading Limited is a 100% subsidiary of the Company, Messrs, Balfour, Bridgewater, Lee, Knight and Levermore are directors of Ebico Trading Limited and also directors of the Company.

During the year under review Ebico Limited paid H E O Balfour, a director, a total of £nil (2015 - £12,850) for consultancy services. Mr Balfour was also paid £22,500 (2015 - £12,438), by Ebico Trading Limited in respect of his services as a director of that company. In addition P J Bridgewater, a director, was paid £15,000 (2015 - £8,292), by Ebico Trading Limited in respect of his services as a director of that company.

During the year under review the Company paid Kingswick Limited, a total of £7,119 (2015 - £nil) for consultancy services. Kingswick Limited is controlled by S G Knight, a director. In addition Ebico Trading Limited paid Kingswick Limited £4,038 (2015: £nil) for consultancy services.

Notes to accounts (continued)

31 December 2016

17 Events after the Balance Sheet Date

On 24th January 2017, the Company completed the sale of its 42.5% shareholding in Eden Solarfair Limited to Green Nation Energy Limited. The consideration for the sale amounted to £88,022, and the carrying value of the investment at 31st December 2016 was £58,293. The consideration was paid in cash.

With effect from 28th February 2017 the partnership agreement, under which the Company receives commission, was terminated. During 2016 substantially all of the Company's revenue arose under the partnership agreement with SSE, and a considerable reduction in Company turnover is anticipated for the financial year ending on 31st December 2017.

The Company's subsidiary, Ebico Trading Ltd, has negotiated a replacement partnership agreement with Robin Hood Energy Ltd (RHE) and trading under this agreement commenced on 26th January 2017. The Company expects that the new energy supply partnership with RHE will give a strong base from which to generate future income for the Company.

18 Company limited by guarantee

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