

ENERGY INNOVATION CENTRE LIMITED

**FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

ENERGY INNOVATION CENTRE LIMITED
(A Company Limited by Guarantee)
Registered number: 07809152

BALANCE SHEET
As at 31 March 2018

	Note	31 March 2018 £	31 August 2017 £
Fixed assets			
Tangible assets	4	13,524	25,503
Investments	5	2	2
		<u>13,526</u>	<u>25,505</u>
Current assets			
Debtors: amounts falling due within one year	6	1,642,333	334,613
Cash at bank and in hand	7	1,605,127	1,856,818
		<u>3,247,460</u>	<u>2,191,431</u>
Creditors: amounts falling due within one year	8	(2,858,548)	(1,782,641)
Net current assets		<u>388,912</u>	<u>408,790</u>
Total assets less current liabilities		<u>402,438</u>	<u>434,295</u>
Provisions for liabilities			
Deferred taxation		(1,916)	(3,400)
		<u>(1,916)</u>	<u>(3,400)</u>
Net assets excluding pension asset		<u>400,522</u>	<u>430,895</u>
Net assets		<u><u>400,522</u></u>	<u><u>430,895</u></u>
Capital and reserves			
Profit and loss account		400,522	430,895
		<u><u>400,522</u></u>	<u><u>430,895</u></u>

ENERGY INNOVATION CENTRE LIMITED

(A Company Limited by Guarantee)

Registered number: 07809152

BALANCE SHEET (CONTINUED)

As at 31 March 2018

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements 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 financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

.....
D M Massey

Director

Date: 17 December 2018

The notes on pages 3 to 10 form part of these financial statements.

ENERGY INNOVATION CENTRE LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Period Ended 31 March 2018

1. General information

The company is a private company limited by guarantee, which is incorporated under the Companies Act 2006 and registered in England (no. 07809152). The address of the registered office is The Technology Centre Suites 1 And 2, Inward Way, Ellesmere Port, CH65 3EN.

These financial statements present information about the company as an individual undertaking; it is not a member of a group of companies. The principal activity of the company is to accelerate the discovery, development and deployment of innovation among the transmission and distribution network operators.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS
For the Period Ended 31 March 2018

2. Accounting policies (continued)

2.4 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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NOTES TO THE FINANCIAL STATEMENTS
For the Period Ended 31 March 2018

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

S/Term Leasehold Property	- over life of lease
Fixtures & fittings	- over 5 years straight line
Office equipment	- over 3 or 5 years straight line
Website	- over 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ENERGY INNOVATION CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
For the Period Ended 31 March 2018

2. Accounting policies (continued)

2.12 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 debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the period was 22 (2017 - 19).

4. Tangible fixed assets

	S/Term Leasehold Property	Fixtures & fittings	Office equipment	Website	Total
	£	£	£	£	£
Cost or valuation					
At 1 September 2017	20,777	16,497	32,609	9,880	79,763
Additions	-	-	1,247	-	1,247
Disposals	(7,517)	-	-	-	(7,517)
At 31 March 2018	13,260	16,497	33,856	9,880	73,493
Depreciation					
At 1 September 2017	14,285	10,416	23,521	6,038	54,260
Charge for the period on owned assets	1,481	1,512	3,301	1,921	8,215
Disposals	(2,506)	-	-	-	(2,506)
At 31 March 2018	13,260	11,928	26,822	7,959	59,969
Net book value					
At 31 March 2018	-	4,569	7,034	1,921	13,524
At 31 August 2017	<u>6,492</u>	<u>6,081</u>	<u>9,088</u>	<u>3,842</u>	<u>25,503</u>

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For the Period Ended 31 March 2018

4. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	31 March 2018	<i>31 August 2017</i>
	£	£
Short leasehold	-	6,493
	<u>-</u>	<u>6,493</u>

5. Fixed asset investments

	Investments in subsidiary companies
	£
Cost or valuation	
At 1 September 2017	2
	<u>2</u>
At 31 March 2018	2
	<u>2</u>
Net book value	
At 31 March 2018	2
	<u>2</u>
At 31 August 2017	2
	<u>2</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
EIC LAB Limited	England and Wales	Ordinary	100 %	Dormant
THEENERGYLOOP Ltd	England and Wales	Ordinary	100 %	Dormant

The aggregate of the share capital and reserves as at 31 March 2018 for the period ended on that date for the subsidiary undertakings were as follows:

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NOTES TO THE FINANCIAL STATEMENTS
For the Period Ended 31 March 2018

5. Fixed asset investments (continued)

	Aggregate of share capital and reserves 31 August
	£
EIC LAB Limited	1
THEENERGYLOOP Ltd	1
	<hr/>
	2
	<hr/> <hr/>

ENERGY INNOVATION CENTRE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
For the Period Ended 31 March 2018

6. Debtors

	31 March 2018 £	<i>31 August 2017 £</i>
Trade debtors	397,616	127,325
Other debtors	100,185	95,421
Prepayments and accrued income	41,634	27,948
Grants receivable	1,102,898	83,919
	<u>1,642,333</u>	<u>334,613</u>

7. Cash and cash equivalents

	31 March 2018 £	<i>31 August 2017 £</i>
Cash at bank and in hand	1,605,127	1,856,818
	<u>1,605,127</u>	<u>1,856,818</u>

8. Creditors: Amounts falling due within one year

	31 March 2018 £	<i>31 August 2017 £</i>
Payments received on account	1,937,313	1,050,077
Trade creditors	373,727	226,492
Other taxation and social security	133,763	32,293
Other creditors	8,843	4,687
Accruals and deferred income	404,902	469,092
	<u>2,858,548</u>	<u>1,782,641</u>

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NOTES TO THE FINANCIAL STATEMENTS
For the Period Ended 31 March 2018

9. Financial instruments

	31 March 2018 £	<i>31 August 2017 £</i>
Financial assets		
Financial assets measured at fair value through profit or loss	1,605,127	<i>1,856,818</i>
Financial assets that are debt instruments measured at amortised cost	1,500,843	<i>211,300</i>
	<u>3,105,970</u>	<u><i>2,068,118</i></u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>421,774</u>	<u><i>255,179</i></u>

Financial assets measured at fair value through profit or loss comprise of cash at bank.

Financial assets measured at amortised comprise cost of trade debtors, other debtors and grants receivable..

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.

10. 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.

11. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £65,590 (2017 - £98,096). Contributions totalling £706 (2017 - £1,136) were payable to the fund at the balance sheet date and are included in creditors.

12. Controlling party

The company is not controlled by any individual party.

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