

Society number:
IP27915R

ICOF Community Capital Limited
Annual Report and Audited Financial
Statements
31 December 2017

ICOF Community Capital Limited

Legal and administrative details

For the year ended 31 December 2017

Status	The organisation is a community benefit society registered on 14 January 1994.	
Society number	IP27915R	
Registered office and operational address	Brunswick Court Brunswick Square Bristol BS2 8PE	
Chairperson	J White	
Directors	J Alcock J Atherton T Blanc A Harrison D Hollings Z King V Knott A Love J Nott C Pitchford J Smith B Titley S Whellens J White B Wood	Appointed 30 June 2017 Resigned 30 June 2017 Resigned 16 May 2017 Appointed 30 June 2017 Resigned 30 June 2017 Appointed 3 March 2017 Appointed 30 June 2017 Appointed 21 July 2017 Resigned 30 June 2017
Society secretary	A Demontoux	
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD	

ICOF Community Capital Limited

Report of the directors

For the year ended 31 December 2017

ICOF Community Capital Limited is a Community Benefit Society domiciled in England and Wales. The directors present their report with the audited accounts for the year ended 31 December 2017.

Principal activity and business review

The principal activity of the society is that of the provision of loans to social economy businesses.

Directors

The directors in office in the year were as follows:

J Alcock	Appointed 30 June 2017	J Nott	Appointed 3 March 2017
J Atherton	Resigned 30 June 2017	C Pitchford	Appointed 30 June 2017
T Blanc	Resigned 16 May 2017	J Smith	Appointed 21 July 2017
A Harrison		B Titley	
D Hollings		S Whellens	Resigned 30 June 2017
Z King	Appointed 30 June 2017	J White	
V Knott	Resigned 30 June 2017	B Wood	
A Love			

Directors' responsibilities

The Co-operative and Community Benefit Societies Act 2014 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society and of the surplus or deficit of the society for that period.

The society financial statements are required by law to present fairly the financial position and the performance of the society. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the society will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the society and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. It has general responsibility for taking reasonable steps to safeguard the assets of the society and to prevent and detect fraud and other irregularities.

Each director has taken steps that they ought to have taken as directors 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 members confirm that there is no relevant information that they are aware of and which they know the auditors are unaware of.

ICOF Community Capital Limited

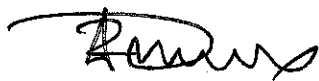
Report of the directors

For the year ended 31 December 2017

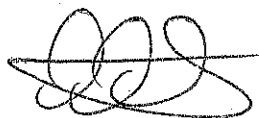
Auditors

During the year Godfrey Wilson Limited were re-appointed as the society's auditors. In accordance with the Co-operative and Community Benefit Societies Act 2014, a resolution for the reappointment of Godfrey Wilson Limited as auditor of the society and a resolution to authorise the directors to fix their remuneration are proposed at the next Annual General Meeting.

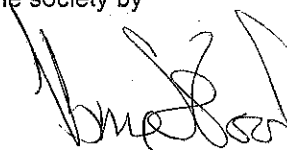
Approved by the directors on 14 March 2018 and signed on behalf of the society by



A Demontoux
Society Secretary



B Titley
Director



B Wood
Director

Independent auditors' report

To the directors of

ICOF Community Capital Limited

We have audited the financial statements of ICOF Community Capital Limited for the year ended 31 December 2017 on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 that 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, or the opinions we have formed.

Respective responsibilities of directors and auditors

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 Ethical Standards for Auditors including, where applicable, Auditing Practices Board Ethical Standard - Provisions Available for Small Entities (Revised).

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the society's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the society's affairs as at 31 December 2017 and of its profit for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Practice applicable to smaller entities; and
- Have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Independent auditors' report

To the directors of

ICOF Community Capital Limited

Matters on which we are required to report by exception

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:

- a satisfactory system of control over transactions has not been maintained; or
- the society has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

Date: 14 March 2018



Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor, Mariner House

62 Prince Street

Bristol

BS1 4QD

ICOF Community Capital Limited

Profit and loss account

For the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	2	29,512	27,726
Administrative expenses		<u>(108,693)</u>	<u>(34,813)</u>
Operating loss	3	(79,181)	(7,087)
Income from investments		860	860
Interest receivable		36	355
Finance income		26,650	5,254
Interest payable		<u>(303)</u>	<u>(384)</u>
Loss on ordinary activities before taxation		(51,938)	(1,002)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
Loss on ordinary activities after taxation		<u>(51,938)</u>	<u>(1,002)</u>

All activities of the society are classed as continuing.

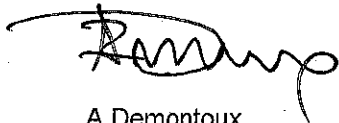
ICOF Community Capital Limited

Balance sheet

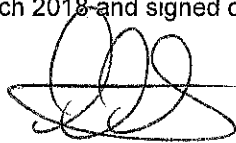
As at 31 December 2017

	Note	£	2017 £	2016 £
Fixed assets				
Investments	5		117,000	112,823
Current assets				
Debtors due within one year	6	49,618		61,189
Debtors falling after one year	6	409,263		555,141
Cash at bank and in hand		<u>178,444</u>		<u>50,911</u>
			<u>637,325</u>	<u>667,241</u>
Creditors: amounts due within 1 year	7	<u>(1,980)</u>		<u>(97,280)</u>
Net current assets			<u>635,345</u>	<u>569,961</u>
Total assets less current liabilities			<u>752,345</u>	<u>682,784</u>
Creditors: amounts due after 1 year	8		<u>(74,527)</u>	<u>-</u>
Net assets			<u><u>677,818</u></u>	<u><u>682,784</u></u>
Funding and reserves				
Funding	9		736,991	690,019
Profit and loss account	10		<u>(59,173)</u>	<u>(7,235)</u>
Total funds			<u><u>677,818</u></u>	<u><u>682,784</u></u>

Approved by the directors on 14 March 2018 and signed on their behalf by



A Demontoux
Society Secretary



B Titley
Director



B Wood
Director

ICOF Community Capital Limited

Notes to the financial statements

For the year ended 31 December 2017

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 Section 1A - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Co-operative and Community Benefit Societies Act 2014.

Turnover

Turnover represents the amount derived from interest and fees on loans falling within the society's activities.

Fixed asset investments

Investments in unquoted equity instruments are measured at cost, less impairment for any diminution in value.

Investments in non-equity preference share capital are recognised initially at cost and subsequently at amortised cost using the effective interest method, less any impairment.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad or doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad or doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Taxation

Taxation represents the sum of tax currently payable and deferred tax.

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset released, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

ICOF Community Capital Limited

Notes to the financial statements

For the year ended 31 December 2017

2. Turnover

Turnover represents net invoiced sales of goods, excluding Value Added Tax.

Turnover attributable to geographical markets outside the United Kingdom amounted to 0% (2016 - 0%).

3. Operating profit

This is stated after charging:

	2017 £	2016 £
Directors' remuneration	-	-
Auditors' remuneration	<u>1,980</u>	<u>1,920</u>

4. Taxation

	2017 £	2016 £
UK corporation tax based on results for the period	<u>-</u>	<u>-</u>
Factors affecting current tax charge:		
Profit / (loss) on ordinary activities by rate of tax	(9,996)	(200)
Income and expenses not allowable	(4,814)	(44)
Losses brought forward	(1,777)	(1,533)
Change in the rate of tax	278	-
Losses carried forward	<u>16,309</u>	<u>1,777</u>
Total current tax charge	<u>-</u>	<u>-</u>

5. Investments

	£
At 1 January 2017	112,823
Additions	4,177
Disposals	<u>-</u>
At 31 December 2017	<u>117,000</u>
Net book value	
At 31 December 2017	<u>117,000</u>
At 31 December 2016	<u>112,823</u>

The directors have reviewed the carrying value of the society's investments as at 31 December 2017, and in their opinion, the shares are worth at least the amount stated in the balance sheet.

ICOF Community Capital Limited

Notes to the financial statements

For the year ended 31 December 2017

6. Debtors

	2017 £	2016 £
Trade debtors	455,309	612,349
Other debtors	<u>3,572</u>	<u>3,981</u>
	<u>458,881</u>	<u>616,330</u>
Amounts due after more than one year included above	<u>409,263</u>	<u>555,141</u>

7. Creditors : amounts due within 1 year

	2017 £	2016 £
Accruals	1,980	1,920
Industrial Common Ownership Finance Limited loan	<u>-</u>	<u>95,360</u>
	<u>1,980</u>	<u>97,280</u>

8. Creditors : amounts due after 1 year

	2017 £	2016 £
Industrial Common Ownership Finance Limited loan	<u>74,527</u>	<u>-</u>

The loan is an unsecured loan for £97,000 with Industrial Common Ownership Finance Limited, which is repayable in full in December 2022. Interest is payable at the base rate (currently 0.5%). The loan is stated in the accounts at amortised cost at a rate of 6%. The company has recognised effective finance income of £22,473 in the profit and loss this year on receipt of this loan.

ICOF Community Capital Limited

Notes to the financial statements

For the year ended 31 December 2017

9. Funding

	2017 £	2016 £
Allotted, called up and fully paid: Non-equity shares of £1 each	<u>736,991</u>	<u>690,019</u>

Movement in funding:

	2017 £	2016 £
At 1 January 2017	690,019	711,587
Funds received	80,350	3,000
Funds withdrawn	<u>(33,378)</u>	<u>(24,568)</u>
At 31 December 2017	<u>736,991</u>	<u>690,019</u>

10. Profit and loss account

	2017 £	2016 £
At 1 January 2017	(7,235)	(6,233)
Loss for the year	<u>(51,938)</u>	<u>(1,002)</u>
At 31 December 2017	<u>(59,173)</u>	<u>(7,235)</u>

11. Related party transactions

ICOF Community Capital Limited shares common directors with Industrial Common Ownership Finance Limited, Industrial Common Ownership Fund Plc and ICOF Guarantee Company Limited.

ICOF Community Capital Limited has a £97,000 loan (2016: £97,000) from Industrial Common Ownership Finance Limited. During the year interest of £303 (2016: £384) was paid on the loan.

ICOF Community Capital Limited has an investment of £97,000 non-equity preference shares (2016: £97,000) in Industrial Common Ownership Fund Plc. These became redeemable in September 2017 and ICOF Community Capital Limited has waived its dividends on the shares going forward (2016: nil).

During the year ICOF Community Capital Limited was charged a management fee of £27,457 (2016: £27,601) by Industrial Common Ownership Finance Limited. These charges were made on normal commercial terms.

ICOF Community Capital Limited

Detailed trading profit and loss account

For the year ended 31 December 2017

	£	2017 £	£	2016 £
Turnover				
Loan interest	29,512		26,816	
Arrangement fees	-		910	
		<u>29,512</u>		27,726
Administrative expenses				
Audit fees	1,980		1,920	
Advertising	2,135		-	
Management charges payable	27,457		27,601	
Legal and professional	289		255	
Office expenses	192		-	
Provision for loan losses	75,000		-	
Finance costs	1,640		5,037	
		<u>(108,693)</u>		(34,813)
Interest received	36		355	
Income from investments	860		860	
Finance income	26,650		5,254	
Interest payable	(303)		(384)	
		<u>27,243</u>		6,085
Loss before tax		<u><u>(51,938)</u></u>		<u><u>(1,002)</u></u>