

**EMPOWER COMMUNITY MANAGEMENT LLP**

**UNAUDITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

FRIDAY



\*A6G0J4OZ\*

A07

29/09/2017

#697

COMPANIES HOUSE

---

**EMPOWER COMMUNITY MANAGEMENT LLP**

---

**CONTENTS**

---

	Page
<b>Information</b>	1
<b>Members' report</b>	2
<b>Accountants' report</b>	3
<b>Profit and loss account</b>	4
<b>Statement of total recognised gains and losses</b>	5
<b>Balance sheet</b>	6 - 7
<b>Notes to the financial statements</b>	8 - 12

---

## EMPOWER COMMUNITY MANAGEMENT LLP

---

### INFORMATION

---

#### **Designated Members**

A J Grayson  
R J Knowles  
P A Yiannouzis

#### **Members**

Valere Capital Partners LLP (resigned 29 March 2016)  
Empower Community Foundation  
Panahpur (appointed 30 September 2016)  
The Ashden Trust (appointed 30 September 2016)  
The JJ Charitable Trust (appointed 30 September 2016)  
The Mark Leonard Trust (appointed 30 September 2016)  
ECM Seed Investors LLP (appointed 30 September 2016)

#### **LLP registered number**

OC355018

#### **Registered office**

10 Queen Street Place, London, England, EC4R 1BE

#### **Accountants**

MHA MacIntyre Hudson, Euro House, 1394 High Road, London, N20 9YZ

---

## **EMPOWER COMMUNITY MANAGEMENT LLP**

---

### **MEMBERS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016**

---

The members present their annual report together with the financial statements of Empower Community Management LLP (the LLP) for the year ended 30 September 2016.

#### **PRINCIPAL ACTIVITIES**

The principal object of the LLP was that of development and management of renewable energy projects.

#### **DESIGNATED MEMBERS**

A J Grayson, R J Knowles and P A Yiannouzis were designated members of the LLP throughout the period.

#### **RESULTS AND FUTURE OUTLOOK**

The losses shown as arising (for current and previous years) reflect the operations of the combined legal entities of Empower Community Management LLP and the asset holding vehicles of which it is a member. They include the accounting losses on the asset holding vehicles, which are largely due to depreciation charges and are allocated 100% to Empower Community Management LLP. The cash flows of all the underlying business activities remain positive. The executive members expect this technical 'loss' position to revert to a 'profit' position within the next three to four years.

#### **MEMBERS' CAPITAL AND INTERESTS**

The total amount of capital is determined by the members, with reference to the financial needs of the business. Each member's subscription to the capital of the LLP is repayable following retirement from the LLP.

Details of changes in members' capital in the year ended 30 September 2016 are set out in the financial statements.

Members are entitled to draw out of the partnership funds for their own use (subject to the conditions laid out in the LLP agreement), every month, on account of their accruing share of the net profits, a sum equivalent to their share of the profits earned in that month, or such higher percentage as agreed with the LLP (agreed by the Management Committee).

This report was approved by the members on 28/9/17 and signed on their behalf by:



**R J Knowles**  
Designated member

---

**EMPOWER COMMUNITY MANAGEMENT LLP**

---

**CHARTERED ACCOUNTANTS' REPORT TO THE MEMBERS ON THE PREPARATION OF THE  
UNAUDITED STATUTORY FINANCIAL STATEMENTS OF EMPOWER COMMUNITY MANAGEMENT LLP  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

---

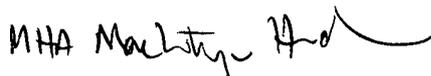
In order to assist you to fulfil your duties under the Companies Act 2006, as applied to LLPs, we have prepared for your approval the financial statements of Empower Community Management LLP for the year ended 30 September 2016 which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Balance sheet and the related notes from the entity's accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/regulations](http://icaew.com/regulations).

This report is made solely to the members in accordance with the terms of our engagement letter dated 10 May 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Empower Community Management LLP and state those matters that we have agreed to state to the members in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Empower Community Management LLP and its members for our work or for this report.

It is your duty to ensure that Empower Community Management LLP has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the entity's assets, liabilities, financial position and profit or loss. You consider that Empower Community Management LLP is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Empower Community Management LLP. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



**MHA MacIntyre Hudson**

Chartered Accountants

Euro House  
1394 High Road  
London  
N20 9YZ

Date: 29/09/2017

---

**EMPOWER COMMUNITY MANAGEMENT LLP**

---

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

---

	Note	2016 £	As restated 2015 £
<b>TURNOVER</b>	1	<b>567,967</b>	-
Administrative expenses		<b>(252,119)</b>	(106,209)
Other operating charges	2	<b>(735,685)</b>	(181,798)
		<hr/>	<hr/>
<b>LOSS FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES</b>		<b>(419,837)</b>	(288,007)
		<hr/>	<hr/>
<b>LOSS FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES</b>		<b>(419,837)</b>	(288,007)
Loss divided among members		<b>419,837</b>	288,007
		<hr/>	<hr/>
<b>RESULT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS</b>		<b>-</b>	-
		<hr/>	<hr/>

The notes on pages 8 to 12 form part of these financial statements.

---

**EMPOWER COMMUNITY MANAGEMENT LLP**

---

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

---

	Note	2016 £	As restated 2015 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>-</u>	<u>-</u>
Prior year adjustment	8	<u>(723,933)</u>	
<b>TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST FINANCIAL STATEMENTS</b>		<u><u>(723,933)</u></u>	

The notes on pages 8 to 12 form part of these financial statements.

**EMPOWER COMMUNITY MANAGEMENT LLP**  
**REGISTERED NUMBER: OC355018**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2016**

		2016	As restated 2015
	£	£	£
<b>FIXED ASSETS</b>			
Tangible assets	3	432	-
<b>CURRENT ASSETS</b>			
Debtors	4	2,270,509	1,533,911
Cash at bank		33,900	136
		<u>2,304,409</u>	<u>1,534,047</u>
<b>CREDITORS: amounts falling due within one year</b>	5	<u>(1,804,841)</u>	<u>(1,034,047)</u>
<b>NET CURRENT ASSETS</b>		<u>499,568</u>	500,000
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>500,000</u>	500,000
<b>CREDITORS: amounts falling due after more than one year</b>	6	<u>-</u>	<u>(500,000)</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u><u>500,000</u></u>	<u><u>-</u></u>
<b>REPRESENTED BY:</b>			
<b>Loans and other debts due to members within one year</b>			
Other amounts	7	500,000	-
		<u>500,000</u>	<u>-</u>
<b>TOTAL MEMBERS' INTERESTS</b>			
Amounts due from members (included in debtors)		(2,265,391)	(1,533,676)
Loans and other debts due to members		500,000	-
	9	<u><u>(1,765,391)</u></u>	<u><u>(1,533,676)</u></u>

---

**EMPOWER COMMUNITY MANAGEMENT LLP**

---

**BALANCE SHEET (continued)  
AS AT 30 SEPTEMBER 2016**

---

The members consider that the LLP is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 ("the Act").

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the LLP as at 30 September 2016 and of its profit or loss for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, relating to financial statements, so far as applicable to the LLP.

The financial statements have been prepared in accordance with the special provisions applicable to small LLPs within Part 15 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 28/09/2017.



**R J Knowles**  
Designated member

The notes on pages 8 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

---

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships". There was a prior year adjustment, (note 8) and comparative figures to 30 September 2015 are restated. Empower Community Management LLP controls two LLP's, Empower Community Solar 1 LLP (ECS1 LLP) and ECS Peterborough 1 LLP (ECSP1 LLP), both UK LLPs, through its management responsibility as 'Managing Partner', detailed in the LLP agreements. Empower Community Management LLP is not required to prepare group accounts, and has not elected to prepare group accounts. These accounts reflect the transactions of the company, not the group.

**1.2 Going concern**

At 30 September 2016, amounts due from members exceeded amounts due to members by £1,765,391 (restated 2015: £1,533,676).

The financial statements have been prepared on a going concern basis. The period considered in detail by the members is up to 12 months following the authorisation of the financial statements.

The members consider that the basis is appropriate, as the designated members have confirmed there is adequate funding secured for the various renewable energy projects under the management of the LLP for a period of at least 12 months from the date of approval of the financial statements.

**1.3 Turnover**

Turnover comprises revenue recognised by the LLP in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover is a percentage of income receivable in respect of capital investment into solar projects.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment - 20% straight line

**1.5 Allocation of profits and drawings**

During the year the members set the level of members' monthly drawings after considering the LLP's working capital needs. The LLP may not seek their repayment, except that the aggregate amount drawn exceeds allocated profit for the year. Members' remuneration charged as an expense is reflected in the Statement of Profit and Loss and in the Balance Sheet as amounts due to members.

The remaining profit is allocated as earned in accordance with the LLP agreement. Allocated profit is included within loans and other amounts due to members.

---

**EMPOWER COMMUNITY MANAGEMENT LLP**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

---

**1. ACCOUNTING POLICIES (continued)****1.6 Members' Remuneration**

The element of Members' remuneration which is charged as an expense is included in the profit and loss account. It reflects equivalent base remuneration benchmarked against similar roles in the market.

**2. LOSS**

The loss is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the LLP	108	5,016

Other operating charges of £735,685 (2015: £181,798) represent Empower Community Management LLP's share of losses in the following subsidiary undertakings:

Empower Community Solar 1 LLP  
ECS Peterborough 1 LLP

**3. TANGIBLE FIXED ASSETS**

	Office equipment £
<b>Cost</b>	
At 1 October 2015	-
Additions	540
At 30 September 2016	540
<b>Depreciation</b>	
At 1 October 2015	-
Charge for the year	108
At 30 September 2016	108
<b>Net book value</b>	
At 30 September 2016	432
At 30 September 2015	-

---

**EMPOWER COMMUNITY MANAGEMENT LLP**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

---

**4. DEBTORS**

	2016 £	As restated 2015 £
VAT	-	235
Prepayments and accrued income	5,118	-
Amounts due from members	2,265,391	1,533,676
	<u>2,270,509</u>	<u>1,533,911</u>

**5. CREDITORS:  
Amounts falling due within one year**

	2016 £	As restated 2015 £
Trade creditors	293,966	132,513
Other taxation and social security	19,022	-
Other creditors	1,491,853	901,534
	<u>1,804,841</u>	<u>1,034,047</u>

**6. CREDITORS:  
Amounts falling due after more than one year**

	2016 £	As restated 2015 £
Other loans (note 10)	-	500,000
	<u>-</u>	<u>500,000</u>

**7. LOANS AND OTHER DEBTS DUE TO MEMBERS**

	2016 £	As restated 2015 £
Amounts due to members	500,000	-
	<u>500,000</u>	<u>-</u>

A loan of £500,000 was introduced by the members, see note 10.

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

---

**EMPOWER COMMUNITY MANAGEMENT LLP**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

---

**8. PRIOR YEAR ADJUSTMENT**

The financial statements of Empower Community Management LLP of 30 September 2016 have been restated to incorporate the impact of an error in the previous year in accounting for the LLP's share of the losses of its group LLPs, (note 9).

Under an agreement dated 21 February 2014 with ECS1 LLP and 5 October 2015 with ECSP1 LLP, the LLP has an obligation to meet the losses of its subsidiary undertakings, ECS1 LLP and ECSP1 LLP. However, the financial statements of the LLP incorrectly excluded the losses of these entities by £(542,135) at 30 September 2014 and by £(181,798) at 30 September 2015, in aggregate by £(723,933). The prior year adjustment corrects for this omission.

The prior year adjustments have resulted in changes to other creditors and changes to the overall members interests of the LLP at 30 September 2016 as follows:

Decrease in members interest - £723,933  
Increase in other creditors - £723,933

Comparatives have been restated to reflect this prior year adjustment.

**9. RECONCILIATION OF MEMBERS' INTERESTS**

	<b>Loans and debts due to members less any amounts due from members in debtors £</b>	<b>As restated Total 2015 £</b>
Amounts due to members b/fwd	-	
Amounts due from members b/fwd	<b>(809,743)</b>	
Members' interests: balance at 1 October 2015 (as previously stated)	<b>(809,743)</b>	(644,034)
Prior year adjustment (note 8)	<b>(723,933)</b>	(542,135)
Members' interests: balance at 1 October 2015 (as restated)	<b>(1,533,676)</b>	(1,186,169)
Profit/Loss for the year divided among the members	<b>(419,837)</b>	(288,007)
Fund introduced by members (note 7)	<b>500,000</b>	-
Drawings	<b>(314,000)</b>	(59,500)
Other funds introduced by members	<b>2,122</b>	-
Members' interests at 30 September 2016	<b>(1,765,391)</b>	(1,533,676)
Amounts due to members	<b>500,000</b>	
Amounts due from members	<b>(2,265,391)</b>	
	<b>(1,765,391)</b>	

---

## EMPOWER COMMUNITY MANAGEMENT LLP

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

---

#### 10. RELATED PARTY TRANSACTIONS

During the year the LLP received asset completion fees of £509,017 (2015: £nil) from ECSP1 LLP, an entity in which Empower Community Management LLP is a member. There are no balances outstanding at year end.

During the year the LLP received asset completion fees of £54,000 (2015: £nil) and promotion fees of £4,950 (2015: £nil) from Empower Peterborough CIC, an entity in which Empower Community Management LLP has a participating interest. At the year end, the balance due was £4,950 (2015: £nil), included in accrued income.

During the year the LLP received distributions of £29,435 (2015: £nil) from and paid management related expenses of £168 (2015: £129,000) on behalf of ECS1 LLP, an entity in which Empower Community Management LLP is a member. At the year end, the balance due was £168 included in debtors and £29,435 in other creditors (2015: £23,783 owed).

Losses from ECS1 LLP of £209,278 and ECSP1 LLP of £526,407 as at 31 March 2016 attributable to the LLP are included in the profit and loss account. Together with losses identified in the Prior Year Adjustment (note 8) of £723,933, there is a balance due of £933,211 to ECS1 LLP and £526,407 to ECSP1 LLP, which is included in other creditors.

In previous years, The National Energy Foundation, Panaphur, The Ashden Trust, JJ Charitable Trust and The Mark Leonard Trust advanced loans to the LLP in relation to renewable energy projects totalling £500,000. These loans were included at 30 September 2015 in creditors - Amounts falling due after more than one year - other loans. At 30 September 2016, The National Energy Foundation reassigned their loans to the other four lenders and Panaphur, The Ashden Trust, JJ Charitable Trust and The Mark Leonard Trust became members of the LLP with their loans converted as capital introduced to the LLP. The £500,000 contributed as capital comprised: Panaphur £225,000, The Ashden Trust £91,667, JJ Charitable Trust £91,667 and The Mark Leonard Trust £91,667.

#### 11. OTHER MEMBERSHIP INFORMATION

	2016	2015
	£	£
The average number of Members	4	4