



Mutual Societies Annual Return Form (AR30)

For societies registered under the Co-operative and Community Benefit Societies Act 2014

Society name:

Broadband for the Rural North

Important information you should read before completing this form

You must use this form if you are a:

- registered society (previously referred to as an 'industrial and provident society')
- co-operative society
- community benefit society

registered under the Co-operative and Community Benefit Societies Act 2014.

You must submit this form and the society's accounts within 7 months of the end of your financial year. Failure to submit is an offence for which the society may be prosecuted.

Please note:

- we have an information note that may assist you in completing this application
- any personal details you give on the form will be placed on the society's public file.
- it is important you give accurate and complete information and disclose all relevant information. If you do not, it may take us longer to process your annual return.

Please keep a copy of the form and supporting documents for future reference.

Terms in this form

'FCA', 'PRA', 'us' and 'we' refer to the Financial Conduct Authority or Prudential Regulation Authority.

'You' refers to the person signing the form on behalf of the society.

'The 2014 Act' is the Co-operative and Community Benefit Societies Act 2014



Mutual Societies Annual Return Form (AR30)

For societies registered under the Co-operative and Community Benefit Societies Act 2014

Filling in the form

1 If you are using your computer to complete the form:

- use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question; and
- print the completed form and arrange for it to be signed by all relevant individuals.

2 If you are filling in the form by hand:

- use black ink;
- write clearly; and
- arrange for it to be signed and dated by all relevant individuals.

3 If you make a mistake, cross it out and initial the changes; do not use correction fluid.

4 If you:

- leave a question blank;
- do not get the form signed; or
- do not attach the required supporting information

without telling us why, we will treat the application as incomplete. This will increase the time taken to assess your application.

5 If there is not enough space on the form, you may use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number. Any separate sheets should be signed by the signatories to the form.

6 Email a scanned copy of the signed form and supporting documents to

mutualsannrts@fca.org.uk

or send it by post to:

Mutuals Team
Financial Conduct Authority
25 The North Colonnade
Canary Wharf
LONDON
E14 5HS

7. Please make sure you include:

- this form
- a set of printed accounts – signed by two members and the secretary (3 signatures in total)
- an audit report or accountant's report where required; and
- any supporting documents.

1

Details of society

1.1 Details of the society

Register number	IP31352R
Registered office address	B4RN Station Yard, Melling, Carnforth
Postcode	LA6 2QY

1.2 Year end date (dd/mm/yyyy)

See Note 1.2

3	1	/	0	3	/	2	0	1	7
---	---	---	---	---	---	---	---	---	---

Committee of management

If you are a club you do not need to give a year of birth in questions 1.3-1.6.

The names of the members of the Committee at the date on which the return is signed should be entered below in BLOCK CAPITALS.

1.3 Details of Chairman

Name	Professor BARRY FORDE
Address	Brow Top Barn Quernmore Lancaster
Postcode	LA2 0QW
Year of birth	1949
Business occupation and other directorships	Nil

1.4 Details of Treasurer

Name	Professor BARRY FORDE
Address	As above
Postcode	
Year of birth	yyyy
Business occupation and other directorships	n/a

1.5 Details of Secretary

Name	Dr MONICA LEE
Address	Hare Appletree House Quernmore Lancaster
Postcode	LA2 0QP
Year of birth	1952
Business occupation and other directorships	Retired / Director, L&K Group PLC; MB Hodgson & Sons Ltd; Trustee: Cawthorne's Educational Foundation.

1.6 Details of Members of the Committee

Name	Address	Year of birth	Business occupation and other directorships
Christopher John CARRI	Lune Cottage, Aughton, Lancaster LA2 8LU	1951	Retired/ nil
Peter Michael HEARNE	Canford Caton Green Lancaster LA2 9JG	1947	Retired/ Fusonic Limited 03946949 Fusonic Investments Limited 04266281 Blueye Limited 03947097 Vitreus Investments Ltd 09509110 North Lancashire Citizens Advice Bureau, 07298912
Ian Robert THOMPSON	Little Cragg Clifford Hall Burton in Lonsdale CARNFORTH Lancs LA6 3LW	1954	Occupation retired Logistics Director Trustee of Burton Regeneration Group Trustee of Bentham Common Lands Charity Bentham Ward Councillor, Craven District Council
		yyyy	
		yyyy	
		yyyy	

Please use separate sheets of paper if you need more space, following the instructions provided in section 5 above.

Please indicate how many separate sheets of paper you have used

0

Please continue, answering all questions.

1.7 Are any members of the society's committee disqualified as directors under the Company Director Disqualification Act 1986?

- ☒ No
☐ Yes

1.8 Does the society carry out any activity which is regulated under the Financial Services and Markets Act 2000? (e.g. accepting deposits in a form other than withdrawable shares; offering insurance products; undertaking residential mortgage business). If 'yes' please state the society's Financial Services Register firm reference number

☒ No

☐ Yes

Financial Services Register firm reference number

1.9 Is the society a subsidiary of another society?

☒ No

☐ Yes

1.10 Does the society have one or more subsidiaries?

☒ No

☐ Yes

1.11 Is the society currently accepted by the HM Revenue and Customs as a charity for tax purposes?

☒ No

☐ Yes

Please confirm you have attached a copy of the letter from HM Revenue and Customs confirming charitable tax status:

☐ Yes

1.12 Is this society a charity registered with the Office of the Scottish Charity Regulator (OSCR)?

☒ No

☐ Yes ▶ provide your Scottish Charity number below

1.13 Is the society registered with one of the following (please tick)?

☐ Homes and Communities Agency

☐ The Welsh Ministers

☐ Scottish Housing Regulator

If so, please provide your register number

All societies must answer the following questions:

- if a **bona fide co-operative society** go to question 1.14
- if **existing for the benefit of the community** go to question 1.19

Bona fide co-operative society

1.14 How did members benefit from the business, industry or trade of the society during the year?

N/A

1.15 Is membership of the society required to obtain the benefits offered by it?

- ☐ Yes
☐ No

1.16 In what way did members participate in an ongoing basis in the society's primary business during the year?

1.17 How did members democratically control the society?

1.18 How did the society use any surplus/profit?

If the society distributed the surplus/profit to members please explain how this was done.

--

Please use separate sheets of paper if you need more space (see section 5 above)

Please indicate how many separate sheets of paper you have used.

--

Continue to 2.1

Community benefit society**1.19 Who are the community the society benefited?**

Those living and working in the rural north

1.20 How did the society benefit that community during the year?

Through the provision of 1000 Megabit fibre broadband to the home.

1.21 How did the society use any surplus/profit?

N/A

Please use separate sheets of paper if you need more space (see section 5 above).

Please indicate how many separate sheets of paper you have used.

Continue to 2.1

2 Statistics

Account details

2.1 You must enter the figures below

See notes for help on items E-T. Enter NIL where applicable

A	Members at beginning of year	1010
B	Members ceased during year	7
C	Members admitted during year	616
D	Members at end of year	1619
E	Turnover for year	647087
F	Total of income and expenditure (receipts and payments added together)	
G	Net surplus/(deficit) for year	(399444)
H	Fixed assets	4641260
I	Current assets	196997
J	Total assets (equal to amount in row O, below)	4838257
K	Current liabilities	281538
L	Share capital	3359893
M	Long-term liabilities	1964372
N	Reserves	(964543)
O	Total liabilities, share capital & reserves (K+L+M+N) (equal to amount in J above)	4838257
All societies (excluding clubs) must complete boxes P-T		
P	Investments in other registered societies	Nil
Q	Loans from members	2198772
R	Loans from Employees' Superannuation Schemes	Nil
S	Dividends on sales	Nil
T	Share interest	24257

2.2 Names of subsidiaries as defined in sections 100 and 101 of the Co-operative and Community Benefit Societies Act 2014

N/A

2.3 Names of subsidiaries not dealt with in group accounts (if any) and reasons for exclusions (as approved by the FCA)

The society must have written authority from us to exclude a subsidiary from group accounts

N/A

3

The audit

3.1 Type of audit used for the attached accounts.

If the society has used a full professional audit or an accountant's report then the report must be prepared by a registered auditor.

- ☒ Full professional audit ▶ Continue to section 4
- ☐ Accountant's report ▶ Complete questions 3.2 and 3.3
- ☐ Lay audit ▶ Complete questions 3.2 and 3.3
- ☐ Unaudited ▶ Complete questions 3.2 and 3.3

3.2 Do the society's registered rules allow the society not to undertake a full professional audit?

- ☐ No
- ☒ Yes

3.3 Has the membership passed at a general meeting a resolution allowing the society not to undertake a full professional audit for the year of account in question? (In accordance with section 84 of the Co-operative and Community Benefit Societies Act 2014)

- ☐ No
- ☐ Yes

4 Accounts and signature

Accounts

4.1 Date on which the accounts and balance sheet will be/were laid before the AGM (dd/mm/yyyy)

1	0	/	1	0	/	2	0	1	7
---	---	---	---	---	---	---	---	---	---

4.2 Has your society produced accounts to the minimum standard required?

- ☒ Yes ▶ you must confirm that you have attached the accounts and the audit/accountant's report bearing the original signatures of the auditor (if required by law), the secretary and the two committee members. ☒ Attached
- ☐ No ▶ you must produce accounts to the minimum standard required, see notes for details.

Signature – all societies to complete

4.3 The Secretary of the society must sign and date below

I certify that the information in this form is correct to the best of my knowledge and belief.

Name	MONICA LEE
Signature	
Phone number	01524 63049
Email	m.lee@b4rn.org.uk
Date	6-9-17.

**BROADBAND FOR THE RURAL NORTH
LIMITED**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2017

**Broadband for the Rural North Limited is a registered society under the
Co-operative and Community Benefit Society Act 2014. Registration number 31352R.**

Scott & Wilkinson LLP
Chartered Accountants & Statutory Auditor
Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

BROADBAND FOR THE RURAL NORTH LIMITED

CONTENTS

	Page(s)
Society Information	1
Statement of Directors' Responsibilities	2
Independent Auditor's Report	3 to 4
Income and Expenditure Account	5
Statement of Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9 to 14
 <i>The following pages do not form part of the statutory financial statements:</i>	
Detailed Income and Expenditure Account	15 to 16

BROADBAND FOR THE RURAL NORTH LIMITED

SOCIETY INFORMATION

Directors	Professor B Forde Mr P Hearne Mr I Thompson Dr M Lee Mr C Carr
Secretary	Dr M Lee
Registered office	Station Yard Melling CARNFORTH LA6 2QY
Bankers	The Co-operative Bank PO Box 250 Delf House Southway SKELMERSDALE WN8 6WT
Auditors	Scott & Wilkinson LLP Chartered Accountants & Statutory Auditor Dalton House 9 Dalton Square LANCASTER LA1 1WD

BROADBAND FOR THE RURAL NORTH LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors acknowledge their responsibilities for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 society and of the profit or loss of the society for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board on 4 September 2017 and signed on its behalf by:



Professor B Forde
Director

BROADBAND FOR THE RURAL NORTH LIMITED

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2017

We have audited the financial statements of Broadband For The Rural North Limited for the year ended 31 March 2017, set out on pages 5 to 14. 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 Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the society'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 society and the society'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 Statement of Directors' Responsibilities (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 to the financial statements, including "APB 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 directors; 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BROADBAND FOR THE RURAL NORTH LIMITED

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2017

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 in preparing the .



Tim Preece F.C.C.A. (Senior Statutory Auditor)
For and on behalf of Scott & Wilkinson LLP, Statutory Auditor

Dalton House
9 Dalton Square
LANCASTER
LA1 1WD

4 September 2017

BROADBAND FOR THE RURAL NORTH LIMITED**INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Total 31 March 2017 £	Total 31 March 2016 £
Income		647,087	355,158
Cost of sales		<u>(173,135)</u>	<u>(85,739)</u>
Gross surplus		473,952	269,419
Administrative expenses		(786,093)	(451,115)
Other operating income		<u>-</u>	<u>2,550</u>
Operating deficit		<u>(312,141)</u>	<u>(179,146)</u>
Other interest receivable and similar income		437	237
Interest payable and similar expenses		<u>(87,740)</u>	<u>(46,606)</u>
		<u>(87,303)</u>	<u>(46,369)</u>
Deficit before tax		(399,444)	(225,515)
Taxation		<u>(87)</u>	<u>(47)</u>
Deficit for the financial year		<u><u>(399,531)</u></u>	<u><u>(225,562)</u></u>

The above results were derived from continuing operations.

The society has no recognised gains or losses for the year other than the results above.

BROADBAND FOR THE RURAL NORTH LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	2016 £
Loss for the year		<u>(399,531)</u>	<u>(225,562)</u>
Total comprehensive income for the year		<u><u>(399,531)</u></u>	<u><u>(225,562)</u></u>

The notes on pages 9 to 14 form an integral part of these financial statements.

BROADBAND FOR THE RURAL NORTH LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	6	4,641,260	2,526,315
Current assets			
Debtors	7	84,442	340,369
Cash at bank and in hand		<u>112,555</u>	<u>312,759</u>
		196,997	653,128
Creditors: Amounts falling due within one year	8	<u>(478,535)</u>	<u>(244,407)</u>
Net current (liabilities)/assets		<u>(281,538)</u>	<u>408,721</u>
Total assets less current liabilities		4,359,722	2,935,036
Creditors: Amounts falling due after more than one year	8	<u>(1,964,372)</u>	<u>(1,361,058)</u>
Net assets		<u><u>2,395,350</u></u>	<u><u>1,573,978</u></u>
Capital and reserves			
Called up share capital		3,359,893	2,138,989
Income and expenditure account		<u>(964,543)</u>	<u>(565,011)</u>
Accumulated funds		<u><u>2,395,350</u></u>	<u><u>1,573,978</u></u>

Company registration number: IP31352R

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 4 September 2017 and signed on its behalf by:

Dr M Lee

Company secretary and director

BROADBAND FOR THE RURAL NORTH LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 MARCH 2017**

	Share capital £	Income and expenditure account £	Total £
At 1 April 2016	2,138,989	(565,012)	1,573,977
Deficit for the year	-	(399,531)	(399,531)
Total comprehensive income	-	(399,531)	(399,531)
New share capital subscribed	1,234,003	-	1,234,003
Shares withdrawn	(13,099)	-	(13,099)
At 31 March 2017	3,359,893	(964,543)	2,395,350

	Share capital £	Income and expenditure account £	Total £
At 1 April 2015	1,049,688	(339,449)	710,239
Deficit for the year	-	(225,562)	(225,562)
Total comprehensive income	-	(225,562)	(225,562)
New share capital subscribed	1,096,296	-	1,096,296
Shares withdrawn	(6,995)	-	(6,995)
At 31 March 2016	2,138,989	(565,011)	1,573,978

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 General information

Broadband for the Rural North Limited is a registered society under the Co-operative and Community Benefit Society Act 2014.

The address of its registered office is:

Station Yard
Melling
CARNFORTH
LA6 2QY

These financial statements were authorised for issue by the Board.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Income recognition

Income comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Income is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Network	4% Straight line
Tools and equipment	15% Reducing balance
Office equipment	15% Reducing balance
Motor vehicles	25% Reducing balance
Computer equipment	25% Straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the society will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the society does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income and Expenditure Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the society has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the society has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 14 (2016 - 9).

4 Directors remuneration

	2017 £	2016 £
Directors remuneration	<u>65,822</u>	<u>63,279</u>

Payments made to directors are in respect of services performed as employees of the society.

5 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>2,575</u>	<u>1,800</u>

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

6 Tangible assets

Cost or valuation

At 1 April 2016

Additions

At 31 March 2017

Depreciation

At 1 April 2016

Charge for the year

At 31 March 2017

Carrying amount

At 31 March 2017

At 31 March 2016

	Network £	Tools and equipment £	Motor vehicles £	Furniture, fittings and equipment £	Total £
At 1 April 2016	2,729,418	42,182	66,209	41,372	2,879,181
Additions	2,253,565	15,457	64,204	30,077	2,363,303
At 31 March 2017	4,982,983	57,639	130,413	71,449	5,242,484
At 1 April 2016	300,903	14,812	24,289	12,862	352,866
Charge for the year	199,321	6,425	26,531	16,081	248,358
At 31 March 2017	500,224	21,237	50,820	28,943	601,224
At 31 March 2017	4,482,759	36,402	79,593	42,506	4,641,260
At 31 March 2016	2,428,515	27,370	41,920	28,510	2,526,315

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

7 Debtors

	2017 £	2016 £
Trade debtors	8,533	8,100
Other debtors	<u>75,909</u>	<u>332,269</u>
Total current trade and other debtors	<u>84,442</u>	<u>340,369</u>

8 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans	10	234,400	110,100
Trade creditors		228,381	110,595
Taxation and social security		7,661	18,248
Other creditors		<u>8,093</u>	<u>5,464</u>
		<u>478,535</u>	<u>244,407</u>
Due after one year			
Loans	10	<u>1,964,372</u>	<u>1,361,058</u>

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

9 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary Shares of £1 each	<u>3,359,893</u>	<u>3,359,893</u>	<u>2,138,989</u>	<u>2,138,989</u>

10 Loans and borrowings

	2017	2016
	£	£
Non-current loans and borrowings		
Loans	<u>1,964,372</u>	<u>1,361,058</u>

	2017	2016
	£	£
Current loans and borrowings		
Loans	<u>234,400</u>	<u>110,100</u>

11 Transition to FRS 102

There are no transitional adjustments under FRS102.

BROADBAND FOR THE RURAL NORTH LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
Income		
Connection fees	113,560	78,742
Service fees	533,527	276,416
	<u>647,087</u>	<u>355,158</u>
Cost of sales		
Network running costs	167,033	82,662
GoCardless fees	6,102	3,077
	<u>(173,135)</u>	<u>(85,739)</u>
General administrative expenses		
Wages and salaries	265,013	144,548
Staff NIC (Employers)	21,587	9,697
Directors remuneration	65,822	63,279
Directors NIC (Employers)	6,989	6,463
Staff pensions (Defined contribution)	11,041	-
Subcontract cost	9,216	-
Staff training	2,496	-
Rent	30,500	20,500
Rates	5,328	4,941
Water rates	185	61
Light, heat and power	6,617	2,436
Insurance	18,632	13,630
Repairs and maintenance	23,948	10,572
Telephone and fax	2,382	1,209
Computer software and maintenance costs	6,027	5,616
Printing, postage and stationery	7,609	5,071
Trade subscriptions	2,029	649
Sundry expenses	6,050	3,128
Cleaning	3,039	765
Motor expenses	12,612	9,068
Travel and subsistence	16,163	3,514
Accountancy fees	4,850	2,650
Auditor's remuneration - The audit of the company's annual accounts	2,575	1,800
Payroll fees	1,060	-
Legal and professional fees	4,360	3,592
Bad debts written off	25	-
Bank charges	1,580	110
Depreciation of network	199,321	109,176
Depreciation of tools and equipment	6,425	4,831
Depreciation of office equipment	2,372	713
Depreciation of motor vehicles	26,531	13,973
Depreciation of computer equipment	13,709	9,123
	<u>(786,093)</u>	<u>(451,115)</u>

This page does not form part of the statutory financial statements.

BROADBAND FOR THE RURAL NORTH LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
Other operating income		
Other operating income	-	2,550
Operating deficit	(312,141)	(179,146)
Other interest receivable and similar income		
Bank interest receivable	437	237
Interest payable and similar expenses		
Loan interest	63,483	33,252
Shareholder interest	24,257	13,354
	(87,740)	(46,606)
Deficit before tax	(399,444)	(225,515)