



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

mutualsannrtns@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	6
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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/ Fusionic Limited 03946949 Fusonic Investments Limited 04266281 Blueye Limited 03947097 Vitreus Investments Ltd 09509110 North Lancashire Citizens Advice Bureau, 07298912
		yyyy	
		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.

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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.

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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	574
B	Members ceased during year	6
C	Members admitted during year	442
D	Members at end of year	1010
E	Turnover for year	357708
F	Total of income and expenditure (receipts and payments added together)	280674
G	Net surplus/(deficit) for year	(14369)
H	Fixed assets	2526315
I	Current assets	653126
J	Total assets (equal to amount in row O, below)	3179441
K	Current liabilities	244406
L	Share capital	2138989
M	Long-term liabilities	1361058
N	Reserves	(565012)
O	Total liabilities, share capital & reserves (K+L+M+N) (equal to amount in J above)	3179441
All societies (excluding clubs) must complete boxes P-T		
P	Investments in other registered societies	Nil
Q	Loans from members	1476575
R	Loans from Employees' Superannuation Schemes	Nil
S	Dividends on sales	Nil
T	Share interest	133541

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)

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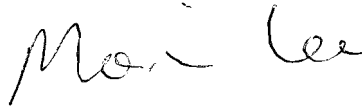
4.2 Has your society produced accounts to the minimum standard required?

- ☒ 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	21-9-16

**BROADBAND FOR THE RURAL NORTH
LIMITED**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2016

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

BROADBAND FOR THE RURAL NORTH LIMITED

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FOR THE YEAR ENDED 31 MARCH 2016

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The following pages do not form part of the statutory financial statements:

Detailed Income and Expenditure Account	11 to 12
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BROADBAND FOR THE RURAL NORTH LIMITED

COMPANY INFORMATION

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

BROADBAND FOR THE RURAL NORTH LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the results for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that they have complied with these requirements

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on **20** September 2016 and signed on its behalf by:



Professor B Forde
Director

BROADBAND FOR THE RURAL NORTH LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of Broadband For The Rural North Limited for the year ended 31 March 2016, set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective January 2015) (United Kingdom 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' Report (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

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 company'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 and Financial Statements 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 company's affairs as at 31 March 2016 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

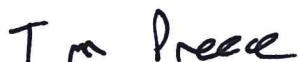
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS *CONTINUED*

FOR THE YEAR ENDED 31 MARCH 2016

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 Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



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

21 September 2016

BROADBAND FOR THE RURAL NORTH LIMITED**INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2016**

		2016	(As restated)
	Note	£	2015
			£
Income		357,708	144,398
Cost of sales		<u>(77,034)</u>	<u>(83,206)</u>
Gross surplus		280,674	61,192
Administrative expenses		<u>(459,819)</u>	<u>(172,099)</u>
Operating deficit		(179,145)	(110,907)
Other interest receivable and similar income		236	104
Interest payable and similar charges		<u>(46,606)</u>	<u>(11,283)</u>
Deficit on ordinary activities before taxation		(225,515)	(122,086)
Tax on deficit on ordinary activities	4	<u>(48)</u>	<u>(20)</u>
Deficit for the financial year	10	<u><u>(225,563)</u></u>	<u><u>(122,106)</u></u>

BROADBAND FOR THE RURAL NORTH LIMITED

BALANCE SHEET

AS AT 31 MARCH 2016

	Note	2016 £	(As restated) 2015 £
Fixed assets			
Tangible fixed assets	5	<u>2,526,315</u>	<u>1,503,182</u>
Current assets			
Debtors	6	340,368	55,869
Cash at bank and in hand		<u>312,758</u>	<u>198,115</u>
		653,126	253,984
Creditors: Amounts falling due within one year	7	<u>(244,406)</u>	<u>(24,108)</u>
Net current assets		<u>408,720</u>	<u>229,876</u>
Total assets less current liabilities		2,935,035	1,733,058
Creditors: Amounts falling due after more than one year	8	<u>(1,361,058)</u>	<u>(1,022,820)</u>
Net assets		<u><u>1,573,977</u></u>	<u><u>710,238</u></u>
Capital and reserves			
Called up share capital	9	2,138,989	1,049,688
Income and expenditure account	10	<u>(565,012)</u>	<u>(339,450)</u>
Accumulated funds		<u><u>1,573,977</u></u>	<u><u>710,238</u></u>

Company registration number: IP31352R

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2015).

Approved and authorised for issue by the Board on 20 September 2016 and signed on its behalf by:



Professor M Lee
Company secretary

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Basis of preparation

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).

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Network	4% straight line
Tools & equipment	15% reducing balance
Office equipment	15% reducing balance
Motor vehicles	25% reducing balance
Computer equipment	25% straight line

2 Operating deficit

Operating deficit is stated after charging:

	2016 £	(As restated) 2015 £
Auditor's remuneration - The audit of the company's annual accounts	1,800	1,400
Depreciation of tangible fixed assets	<u>137,815</u>	<u>82,673</u>

3 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	<u>63,279</u>	<u>15,000</u>

4 Taxation

Tax on loss on ordinary activities

	2016 £	2015 £
Current tax		
Corporation tax charge	48	21
Adjustments in respect of previous years	<u>-</u>	<u>(1)</u>
UK Corporation tax	<u>48</u>	<u>20</u>

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

5 Tangible fixed assets

Cost or valuation

At 1 April 2015

Additions

At 31 March 2016

Depreciation

At 1 April 2015

Charge for the year

At 31 March 2016

Net book value

At 31 March 2016

At 31 March 2015

	Network £	Tools & equipment £	Office equipment £	Motor vehicles £	Computer equipment £	Total £
	1,629,903	37,659	812	41,264	8,595	1,718,233
	1,099,516	4,521	4,065	24,945	27,900	1,160,947
	2,729,419	42,180	4,877	66,209	36,495	2,879,180
	191,727	9,981	122	10,316	2,904	215,050
	109,176	4,830	713	13,973	9,123	137,815
	300,903	14,811	835	24,289	12,027	352,865
	2,428,516	27,369	4,042	41,920	24,468	2,526,315
	1,438,176	27,678	690	30,948	5,691	1,503,183

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

6 Debtors

	2016 £	2015 £
Trade debtors	8,159	3,881
Other debtors	332,209	51,988
	<u>340,368</u>	<u>55,869</u>

7 Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	110,594	220
Corporation tax	47	21
Other taxes and social security	18,248	-
Other creditors	115,517	23,867
	<u>244,406</u>	<u>24,108</u>

8 Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Other creditors	<u>1,361,058</u>	<u>1,022,820</u>

Included in the creditors are the following amounts due after more than five years:

	2016 £	2015 £
After more than five years by instalments	<u>510,563</u>	<u>137,075</u>

9 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary A Shares of £1 each	<u>2,138,989</u>	<u>2,138,989</u>	<u>1,049,688</u>	<u>1,049,688</u>

New shares allotted

During the year 1,096,296 Ordinary A Shares having an aggregate nominal value of £1,096,296 were allotted for an aggregate consideration of £1,096,296.

Shares withdrawn

During the year 6,995 Ordinary A Shares having an aggregate nominal value of £6,995 were withdrawn for an aggregate consideration of £6,995.

BROADBAND FOR THE RURAL NORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

10 Reserves

	Income and expenditure account £	Total £
At 1 April 2015	(339,449)	(339,449)
Deficit for the year	<u>(225,563)</u>	<u>(225,563)</u>
At 31 March 2016	<u><u>(565,012)</u></u>	<u><u>(565,012)</u></u>

11 Prior period adjustments

The comparative accounts have been restated for items of expenditure which have been reclassified as revenue items.

12 Commitments

Operating lease commitments

As at 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:
Operating leases which expire:

	2016 £	2015 £
Over five years	<u>30,000</u>	<u>-</u>

13 Control

The company is under the day to day control of the directors.