Company Registration No. 04194006 (England and Wales)

GREEN ENERGY (UK) PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

GREEN ENERGY (UK) PLC

COMPANY INFORMATION

Directors	D Stewart Sir Peter Thompson T J Smith C Crossley Cooke
Secretary	Aldbury Associates Limited
Company number	04194006
Registered office	Black Swan House 23 Baldock Street Ware Hertfordshire SG12 9DH
Auditor	Mercer & Hole Silbury Court 420 Silbury Boulevard Central Milton Keynes Buckinghamshire MK9 2AF

GREEN ENERGY (UK) PLC

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GREEN ENERGY (UK) PLC

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 30 APRIL 2016

Highlights

Turnover up 6.9% to £13.8m, last year £12.9m
Profit up by 17.4% to £599K, last year £510K
Customer Numbers up by 15%

This year's results are set out in the report and once again I'm pleased that we are recording another year of growth in turnover, profits and customer numbers, key drivers of any business.

It's a good set of results in a volatile economy and an industry that continued to court controversy in the media, both from a Government policy perspective and the Competition and Markets Authority (CMA).

It is pleasing to note that we continue to grow customer numbers in an increasingly competitive market, there are now some 40 small independent suppliers, and that our profits have benefited from the full year impact of the uplift in customer numbers last year.

Our gas portfolio achieved steady growth and it offers the company an opportunity to grow further over the next year. As a result of the change to our green gas offering, we are now the only company offering a 100% green gas tariff which was introduced with the additional benefit of a price reduction.

I commented last year that we hoped common sense would prevail and we might see the repeal of some of the unintended consequences of Ofgems's Retail Market Review. As a result of the CMA report into the energy industry, which was finally published in June, it appears that that might finally happen. The CMA report is covered in more detail in the CEO's report.

And I am personally delighted to advise that our share scheme no longer remains subject to a temporary derogation and has therefore been taken off the gallows.

That means that my lifelong belief in different ownership models is maintained and our share scheme remains a demonstration of our ethics and values, ensuring our customers remain core to our business.

Can I once again thank our customers and shareholders for their continuing support, and I am sure you would again want me to recognise the hard work and tireless dedication of our staff, without which, these continuing improved results would not be possible.

Sir Peter Thompson
Chairman

GREEN ENERGY (UK) PLC

CHIEF EXECUTIVE OFFICER'S STATEMENT

FOR THE YEAR ENDED 30 APRIL 2016

We had a busy time in the year under review. We continued to grow, we reduced gas prices and we introduced 100% green gas into our portfolio.

While we were steadfastly trying to run our business however, we also had to contend with a new government, with a new Secretary of State (since moved to Home Secretary), the continual consultations of the ongoing Competition and Markets Authority (CMA) report and a fluctuating wholesale market; so a year of turmoil, change and regulatory challenges –business as usual then!

We started the financial year with an election and a new Government and ended the year in the run up to another vote; the EU referendum.

The landscape today looks a little different to April 30th so let's cover off the year under review before moving onto where we are now.

At 15%, the continued year on year growth in customer numbers, while maintaining the values that place the customer at the core of our business is a creditable performance.

We had a challenging year, as wholesale prices fell against expectation and our market position. You will recall that as protection against the price freeze Ed Miliband promised his Labour government would introduce should they be elected, we had bought forward and taken out a long term hedge.

As the fall in wholesale prices, something neither I nor Ed Miliband foresaw, became more and more prominent in the media, we began receiving questions from customers about it, and if we were going to react. In line with our values, we chose to be transparent and wrote to all our customers, explaining the implications of the hedge on our ability to buy at the prevailing rates and we were very encouraged by the responses we received. You can't fill the tank if there is no room for new fuel and the support and understanding of our customers was truly gratifying under the circumstances.

But it's a 'swings and roundabout' market we're in and there is an upside to our long term hedge. In the current rising wholesale market, it is presently allowing us to maintain our prices while many market participant have been increasing prices since June. So what looked like a bad decision in January is now looking truly visionary, well a good idea at least!

And on a more positive note, at the time we wrote about the hedge, we reviewed our gas position and our gas portfolio. We looked beyond pricing to our longer term goal of providing green gas when we could. The big news was that green gas is now accepted into the grid and we found a way to provide 100% Bio methane (green gas) to our customers. Even better than that, because our portfolio was small but growing, we were able to take some advantage of wholesale prices which allowed us to introduce green gas while reducing our gas prices by 10%. We thought that was a great result for us, the environment and our customers. A triple whammy!

On the regulatory front, the CMA investigation rumbled on through the year and while it was created to re-establish trust in the energy industry, the constant toing and froing of consultations hit the headlines and far from building trust, it caused more suspicion to be cast on the industry.

The final report which was delayed and delayed and finally published on the morning of the referendum result – no really, they chose that date to publish,- was a bit of a disappointment and I was quoted as saying it was a total waste of money. Its main recommendation will lead to junk mail and nuisance phone calls and the fact switching sites will no longer be required to publish a 'whole of market view' seems at odds with consumer protection to me.

The panel continued with the policy rhetoric of 'switching will solve everything' and appear to believe the introduction of smart meters will solve anything else that needs remedy. To my mind they missed a great opportunity to look at the structure of the market and comment on that. Wholesale energy prices still have a significant impact on consumers prices but the market landscape is changing. There is more and more solar, wind, and even tidal in the pipeline and storage is coming up fast on the horizon. The result of this is that when it's all fully on stream, volatility and peak demand will be less of a driver of the wholesale market which in turn will be less of a determinant of price. The increased fixed-price generation capacity of Contracts for Difference (CfDs)and Feed in Tariffs (FITs) increasingly becomes more important in determining price.

Add to this more and more distribution investment and cost, increasing transmission charges, policy costs in the area of CfDs, capacity charges, Renewable Obligation Certificates (ROCs) and FiTs, and that future scenario suggests the wholesale market is less important and again less price volatile. None of this was really addressed by the CMA.

We did however welcome the impending repeal of some strictures of RMR (Retail Market Review) that were stifling innovation, the removal of the 4 tariff rule and the move towards principle-based regulation which we alluded to in last year's report. So we feel rewarded for 'watching this space'.

In amongst all that, we finally had our temporary derogation removed which means that our share scheme escaped execution as an unintended consequence of RMR.

As we look to the future, the seismic effect of the EU referendum result has precipitated another new government, the same flavour as the last one, but with a quite different agenda. Significantly, we now have an Energy Minister, not a Secretary of State, in a reformed government department where energy no longer commands a seat at the Cabinet Table. This in a climate where we have uncertainty over the future of generation, the whole nuclear debate and Hinkley Point C's financial and political position, in a country that is planning to exit Europe from where much of our energy arrives through the interconnector. It rather suggests another challenging year ahead.

In terms of the things we can control, we will continue to keep a watching brief on the wholesale energy markets for gas and electricity, reacting when appropriate and continue with our soft touch marketing approach with the ever-important emphasis on customer service.

Gas offers the business an additional opportunity to grow and continue with our long term strategy of greening the grid and making sustainable energy accessible to more people. We remain the only company offering 100% bio methane to our customers, not a %, not off-setting, just plain, simple 100% green gas. We are really pleased that now it is accepted into the grid, we have delivered on an AGM promise to act, when possible, to offer green gas. If you can encourage your friends and associates to look at our green gas offering, we would really appreciate it.

So with those upcoming challenges it's lucky we have a dedicated team in the office that refuses to be thrown off course by the vagaries of government, policy and regulation. and maintain their good humour in a media-hostile environment. I am sure you would want me to thank them for their effort and commitment. Equally of course I thank our supportive customer shareholders for their engagement and encouragement.

D Stewart
Cheif Executive Officer

16 September 2016

GREEN ENERGY (UK) PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2016

The directors present the strategic report for the year ended 30 April 2016.

Fair review of the business
Highlights include:

- Turnover up 6.9% to £13.8m, last year £12.9m
- Profit up by 17.4% to £599K, last year £510K
- Customer Numbers up by 15%

The company has continued to perform strongly throughout the year with a steady growth in customer numbers, turnover and underlying profitability. The company has focused on strengthening its balance sheet and has been able to improve its credit position and make a significant step forward in terms of cash resources. Full details of the company's performance and future developments can be found in the Chief Executive Officer's Statement.

Principal risks and uncertainties
Principal risks and uncertainties facing the company are outlined below:

Energy price volatility

The company's turnover from energy sales may be affected by fluctuations in wholesale electricity and gas prices. The company has adopted a cautious strategy to mitigate this whereby forward hedges for power are secured to fix wholesale prices. During the reporting year the long term hedge that was purchased created an additional costs against short term power purchases. Looking forward this long term hedge is now yielding lower prices against short term costs and will help the company absorb a number of other industry costs that have been rising.

Balancing Risk

The company manages its risk by using short, medium and long term volume forecasts to allow it to by a mixture of short, medium and long term hedges. This gives certainty to the wholesale price of electricity and gas but does create the risk of imbalance charges if there is a significant change both up and down in total customer volumes.

The company pro-actively seeks to grow a steady rate to mitigate this risk and ensure a smooth and controlled growth in customer numbers.

On behalf of the board

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D Stewart
Director
16 September 2016

The directors present their annual report and financial statements for the year ended 30 April 2016.

Principal activities

The principal activity of the company is that of domestic and commercial electricity supply and domestic gas supply.

The directors are satisfied with the results for the year and expect significant further growth in the following year.

Green energy

The company's policy is to purchase it's green electricity only from fully renewable generators and generators who provide certified good quality CHP (Combined Heat and Power). Green gas is only purchased with an associated green gas certificate.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Stewart
Sir Peter Thompson
T J Smith
C Crossley Cooke

Results and dividends

The results for the year are set out on page 10.

The directors do not recommend payment of an ordinary dividend.

Financial instruments

Commodity price risk

The company's operations results in exposure to fluctuations in electricity and gas prices. Management monitors electricity and gas prices and analyses supply and demand volumes to manage exposure to this risk. The company has entered into forward contracts in order to mitigate some of its exposure to these fluctuations.

If the wholesale market moves significantly up or down, the price risk to the company will depend on a number of factors including the excess or deficiency of power being supplied by Renewable Power Purchase contracts in place at the time. The company may be required to pass on the price risk to customers. Retail prices can be amended with 30 days advance notification to customers. Management closely monitors wholesale market movements and assesses trends in order to take action when necessary.

Liquidity risk

The company's policy in respect of liquidity risk is to maintain a mixture of short term debt finance and readily accessible bank deposit accounts, to ensure the company has sufficient funds for operations. The cash deposits are held in current accounts which earn interest at a floating rate. Debt is maintained at fixed and floating interest rates.

Credit risk

The company's exposure to credit risk arises from amounts due from customers. The company's policy in respect of credit risk is to require appropriate credit checks on potential customers and to provide for doubtful debts based on estimated irrecoverable amounts determined by reference to specific circumstances and past default experience. At the balance sheet date the directors have provided for all known specific doubtful debts and believe that there is no further credit risk.

Auditor

In accordance with the company's articles, a resolution proposing that Mercer & Hole be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

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D Stewart

Director

16 September 2016

GREEN ENERGY (UK) PLC

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 APRIL 2016

The directors are responsible 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

GREEN ENERGY (UK) PLC

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREEN ENERGY (UK) PLC

We have audited the financial statements of Green Energy (UK) Plc for the year ended 30 April 2016 set out on pages 10 to 31. 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 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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' Responsibilities Statement set out on page 7, 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 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 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 financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 30 April 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GREEN ENERGY (UK) PLC

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.

Mercer Hole

Paul Maberly FCA (Senior Statutory Auditor)
for and on behalf of Mercer & Hole

19 September 2016

Chartered Accountants
Statutory Auditor

Silbury Court
420 Silbury Boulevard
Central Milton Keynes
Buckinghamshire
MK9 2AF

GREEN ENERGY (UK) PLC

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	2016 £	2015 £
Turnover	**4**	13,792,045	12,934,586
Cost of sales		(10,833,877)	(9,926,042)
Gross profit		2,958,168	3,008,544
Administrative expenses		(2,357,556)	(2,497,902)
Operating profit	**5**	600,612	510,642
Interest receivable and similar income	**8**	2,689	644
Interest payable and similar charges	**9**	(4,097)	(1,278)
Profit before taxation		599,204	510,008
Taxation	**10**	(124,978)	(100,917)
Profit for the financial year		474,226	409,091

The profit and loss account has been prepared on the basis that all operations are continuing operations.

GREEN ENERGY (UK) PLC

BALANCE SHEET

AS AT 30 APRIL 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Intangible assets	11		49,999		-
Tangible assets	12		423,607		385,099
Investments	13		4		50,003
			473,610		435,102
Current assets					
Stocks	16	-		377,278	
Debtors	17	1,841,949		2,272,883	
Cash at bank and in hand		2,184,657		693,527	
		4,026,606		3,343,688	
Creditors: amounts falling due within one year	18	(1,758,798)		(1,556,127)	
Net current assets			2,267,808		1,787,561
Total assets less current liabilities			2,741,418		2,222,663
Creditors: amounts falling due after more than one year	19		(78,075)		(41,950)
Provisions for liabilities	22		(36,512)		(28,108)
Net assets			2,626,831		2,152,605
Capital and reserves					
Called up share capital	24		54,912		54,912
Capital redemption reserve			585		585
Profit and loss reserves			2,571,334		2,097,108
Total equity			2,626,831		2,152,605

The financial statements were approved by the board of directors and authorised for issue on 15th September 2016. and are signed on its behalf by:

D Stewart
Director

T J Smith
Director

Company Registration No. 04194006

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 May 2014		54,660	585	1,688,017	1,743,262
Year ended 30 April 2015:					
Profit and total comprehensive income for the year		-	-	409,091	409,091
Issue of share capital	**24**	252	-	-	252
Balance at 30 April 2015		54,912	585	2,097,108	2,152,605
Year ended 30 April 2016:					
Profit and total comprehensive income for the year		-	-	474,226	474,226
Balance at 30 April 2016		54,912	585	2,571,334	2,626,831

GREEN ENERGY (UK) PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Cash flows from operating activities					
Cash generated from operations	**29**		1,635,495		690,966
Interest paid			(4,097)		(1,278)
Income taxes paid			(96,671)		(98,734)
Net cash inflow from operating activities			1,534,727		590,954
Investing activities					
Purchase of tangible fixed assets		(10,621)		(16,068)	
Interest received		2,689		644	
Net cash used in investing activities			(7,932)		(15,424)
Financing activities					
Proceeds from issue of shares		-		252	
Payment of finance leases obligations		(35,665)		(11,933)	
Net cash used in financing activities			(35,665)		(11,681)
Net increase in cash and cash equivalents			1,491,130		563,849
Cash and cash equivalents at beginning of year			693,527		129,678
Cash and cash equivalents at end of year			2,184,657		693,527

1 Accounting policies

Company information

Green Energy (UK) Plc is a company limited by shares incorporated in England and Wales. The registered office is Black Swan House, 23 Baldock Street, Ware, Hertfordshire, SG12 9DH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 April 2016 are the first financial statements of Green Energy (UK) Plc prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 May 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 405 (2) of the Companies Act 2006 not to prepare consolidated accounts as the directors consider the subsidiaries result are not material. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Revenue comprises revenue from the sale of electricity and gas to commercial and domestic customers. Revenue excludes Value Added Tax. Revenue from the sale of electricity and gas to commercial and domestic customers is recognised when earned on the basis of a contractual agreement with the customer. It reflects the value of the volume supplied, including an estimated value of the volume supplied to customers, between the date of their last meter reading and the year end.

Power supply

Revenue for the supply of electricity is based on industry data flows and national grid data. These include an estimate of power used based on the estimated annual consumption of each customer. This information is reconciled over a 14 month period as customer and industry meter reads are received and estimates adjusted to actual usage. The company takes a prudent assumption of revenue based on the latest available data flow, with a final 'true-up' once the final industry supplied data flow is available, approximately 14 months after supply.

Revenue for the supply of gas is accrued based on information received from the company's gas shipper, which includes details of all the sites held, their estimated annual quantities of gas used adjusted by a pre-determined weather correction factor. This information is subsequently adjusted, and invoiced based on customer and industry meter reads.

Payment is collected either as a direct debit, paid on receipt of bill in arrears or in advance for those customers on prepayment meters. Overdue amounts are reviewed regularly for impairment and provision made as necessary.

1 Accounting policies **(Continued)**

Feed-in Tariff (FIT) administration services

Green Energy (UK) Plc provide FIT administration services to micro-generators who are signed up to the FIT scheme. For FIT services, revenue is earned from OFGEM for administering the scheme. For FIT services, revenue is recognised in two parts: there is the initial fee paid by OFGEM for taking on a generator, and then an ongoing amount that is received annually for provision of FIT services. The initial fee is spread over the 'take on' period for a new customer and the ongoing fee that is received is spread over the 12 month compliance period.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Power Supply Licences	10% straight line

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the life of the lease
Plant and machinery	33.33% straight line
Fixtures, fittings & equipment	20% straight line
Computer equipment	33.33% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Renewable Obligation Certificates (ROCs)

Under the provisions of the Utilities Act 2000, all electricity suppliers are required to procure a set percentage of their supplies from accredited renewable electricity generators. This obligation can be fulfilled by the purchase and surrender of ROCs originally issued to generators, or, by making payment to OFGEM who then recycle the payments to purchasers of ROCs.

Notwithstanding that the company supplies electricity sourced entirely from renewable generation, its percentage obligation to submit ROCs is set by OFGEM. The cost obligation is recognised as it arises and is charged to the profit and loss account for the year to which the charge relates as a reduction in gross margin. The stock of ROCs carried forward is valued at the lower of cost and estimated net realisable value. Cost is based on a first-in first-out principle.

Levy Exemption Certifications (LECs)

LECs are sold to certain business customers in order for them to save Climate Change Levy (CCL), which was introduced in the UK following the signing of the Kyoto Protocol. LECs are held on the balance sheet in prepayments, to the extent more have been purchased than have been sold to customers. LECs are held at the lower of cost and net realisable value. The cost of purchasing LECs is recognised in cost of sales when sold to the customer.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Derivatives
The company uses commodity purchase contracts to hedge its exposures to fluctuations in electricity commodity prices. When commodity purchase contracts have been entered into as part of the company's normal business activity, the company classifies them as 'own use' contracts and outside the scope of FRS102, Section 12.

This is achieved when:
- A physical delivery takes place under all such contracts;
- The volumes purchased or sold under contracts corresponds to the company's operating requirement; and
- The contracts are not considered as written options as defined by the standard.

1.13 Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies **(Continued)**

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Change in accounting policy

On transition to FRS102, the directors have reviewed the presentation and classification of items in the financial statements. They have concluded that the following changes, reflected in these financial statements, are necessary to better reflect the nature of these items:
- Accrued income has been reclassified from prepayments and accrued income to trade debtors;

- Stocks of ROCs and LECs have been reclassified to stock from other debtors;

- Amounts receivable and payable under the Feed in Tariff scheme have previously been shown as separate debtors and creditors respectively. These have now been netted down to properly reflect the company's position as agent in administering the scheme on behalf of OFGEM.

The changes have been applied to both the current and comparative year's figures.

3 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty
The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Revenue recognition
Revenue calculated from energy sales includes an estimate of the value of electricity and gas supplied to customers between the date of the last meter reading and the end of the reporting period. This will have been estimated using historical consumption patterns and data available, and takes into consideration industry reconciliation processes, upon which the company takes a prudent position until final reconciliation data is available from the industry,

Power purchase costs
Electricity purchase costs can typically take 14 months to be finalised due to the processes that the energy market has to complete in order to finalise generation and consumption data for any one particular month. Therefore there is an element of electricity costs that needs to be estimated based on a combination of in-house and industry data that is available at any particular point in time.

4 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016	2015
	£	£
Turnover		
Electricity	13,282,650	12,665,236
Gas	509,395	269,350
	13,792,045	12,934,586

Other significant revenue		
Interest income	2,689	644

Turnover analysed by geographical market

	2016	2015
	£	£
United Kingdom	13,792,045	12,934,586

5 Operating profit

	2016	2015
Operating profit for the year is stated after charging/(crediting):	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	12,650	9,000
Depreciation of owned tangible fixed assets	25,225	41,656
Depreciation of tangible fixed assets held under finance leases	39,686	11,839
Cost of sales recognised as an expense	10,833,877	9,926,042
Operating lease charges	40,128	40,328

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016	2015
	Number	Number
Number of employees	27	27

6 Employees **(Continued)**

Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	1,169,270	1,147,726
Social security costs	132,022	123,417
Pension costs	45,599	44,382
	1,346,891	1,315,525

7 Directors' remuneration

	2016	2015
	£	£
Remuneration for qualifying services	404,765	452,945
Company pension contributions to defined contribution schemes	29,400	29,400
	434,165	482,345

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2015 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	180,000	220,000
Company pension contributions to defined contribution schemes	16,200	16,200

8 Interest receivable and similar income

	2016	2015
	£	£
Interest income		
Interest on bank deposits	2,689	644

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	2,689	644

9 Interest payable and similar charges

	2016	2015
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on finance leases and hire purchase contracts	4,097	1,278

10 Taxation

	2016	2015
	£	£
Current tax		
UK corporation tax on profits for the current period	116,236	96,332
Adjustments in respect of prior periods	338	(5,317)
Total current tax	116,574	91,015
Deferred tax		
Origination and reversal of timing differences	8,404	9,902
Total tax charge	124,978	100,917

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2016	2015
	£	£
Profit before taxation	599,204	510,008
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.92%)	119,841	106,694
Tax effect of expenses that are not deductible in determining taxable profit	6,054	3,330
Adjustments in respect of prior years	339	(5,317)
Depreciation on assets not qualifying for tax allowances	1,288	1,347
Deferred tax adjustments in respect of prior years	(2,544)	-
Tax at marginal rate	-	(2,351)
Transition adjustments	-	(2,786)
Tax expense for the year	124,978	100,917

From 1 April 2014, the main rate of corporation tax reduced to 21% and from 1 April 2015 the main rate reduced to 20%. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 19% from 1 April 2017 and 18% from 1 April 2020. This will reduce future current tax charge accordingly. A further reduction to the corporation tax rate by 1% to 17% by 1 April 2020 was announced in the Chancellor's 2016 budget statement.

11 Intangible fixed assets

	Power Supply Licences
	£
Cost	
At 1 May 2015	-
Transfers	49,999
At 30 April 2016	49,999
Amortisation and impairment	
At 1 May 2015 and 30 April 2016	-
Carrying amount	
At 30 April 2016	49,999
At 30 April 2015	-

The value in the company's investment in its subsidiary Green Energy Limited was based on the electricity supply licence held in that company's name. The licence has been transferred into the name of the company so as a result the company has transferred the value of this from investments to intangible fixed assets.

The directors are of the opinion that the residual value of the power supply licence is at least the value included in the financial statements. No amortisation has been charged on this basis.

12 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 May 2015	320,000	28,238	44,940	119,231	81,180	593,589
Additions	-	-	-	-	103,419	103,419
At 30 April 2016	320,000	28,238	44,940	119,231	184,599	697,008
Depreciation and impairment						
At 1 May 2015	42,667	6,589	41,131	106,264	11,839	208,490
Depreciation charged in the year	12,800	2,824	1,306	8,295	39,686	64,911
At 30 April 2016	55,467	9,413	42,437	114,559	51,525	273,401
Carrying amount						
At 30 April 2016	264,533	18,825	2,503	4,672	133,074	423,607
At 30 April 2015	277,333	21,649	3,809	12,967	69,341	385,099

12 Tangible fixed assets **(Continued)**

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2016	2015
	£	£
Motor vehicles	133,074	69,341
Depreciation charge for the year in respect of leased assets	39,686	11,839

13 Fixed asset investments

	Notes	2016	2015
		£	£
Investments in subsidiaries	14	4	50,003

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 May 2015	50,003
Transfers to intangible fixed assets	(49,999)
At 30 April 2016	4
Carrying amount	
At 30 April 2016	4
At 30 April 2015	50,003

14 Subsidiaries

Details of the company's subsidiaries at 30 April 2016 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held Direct	Indirect
Garsington Energy Limited	England and Wales	Dormant	Ordinary	100.00	
Green Energy Electricity Limited	England and Wales	Dormant	Ordinary	100.00	
Green Energy Limited	England and Wales	Dormant	Ordinary	100.00	
Green Energy Gas Limited	England and Wales	Dormant	Ordinary	100.00	

14 Subsidiaries **(Continued)**

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Garsington Energy Limited	-	1
Green Energy Electricity Limited	-	1
Green Energy Limited	-	1
Green Energy Gas Limited	-	1

15 Financial instruments

	2016	2015
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,713,330	2,902,418
Equity instruments measured at cost less impairment	4	50,003
Carrying amount of financial liabilities		
Measured at amortised cost	(1,361,746)	(1,932,313)

16 Stocks

	2016	2015
	£	£
Renewable Obligation Certificates	-	292,680
Levy Exemption Certificates	-	84,598
	-	377,278

Due to changes in the Climate Change Levy regulations Levy Exemption Certificates ceased to be issued from 1 August 2015.

17 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	1,574,719	1,802,836
Other debtors	214,029	215,107
Prepayments and accrued income	53,201	254,941
	1,841,949	2,272,884

18 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Obligations under finance leases	20	41,465	20,457
Trade creditors		557,495	1,028,277
Corporation tax		116,236	96,333
Other taxation and social security		54,741	31,485
Other creditors		170,648	2,950
Accruals and deferred income		818,213	376,625
		1,758,798	1,556,127

19 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Obligations under finance leases	20	78,075	41,950

20 Finance lease obligations

Future minimum lease payments due under finance leases:	2016 £	2015 £
Within one year	46,197	20,457
In two to five years	87,047	49,512
	133,244	69,969
Less: future finance charges	(13,704)	(7,562)
	119,540	62,407

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

21 Provisions for liabilities

		2016 £	2015 £
Deferred tax liabilities	22	36,512	28,108
		36,512	28,108

22 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Balances:	Liabilities 2016 £	Liabilities 2015 £
ACAs	36,962	28,108
Short Term Timing Differences	(450)	-
	36,512	28,108

Movements in the year:	2016 £
Liability at 1 May 2015	28,108
Charge to profit or loss	8,404
Liability at 30 April 2016	36,512

Approximately a quarter of the deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

23 Retirement benefit schemes

Defined contribution schemes	2016 £	2015 £
Charge to profit or loss in respect of defined contribution schemes	45,599	44,382

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £45,599 (2015 - £44,382).

24 Share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
53,962,350 'A' Ordinary shares of 0.1p each	53,962	53,962
794,600 'D' Ordinary shares of 0.1p each	794	883
155,400 'C' Ordinary shares of 0.1p each	156	67
	54,912	54,912

During the year 88,500 (2015: 66,900) 'D' Ordinary shares were converted into 'C' Ordinary shares.

'D' Ordinary shares have been set aside for issue to customers.

'D' Ordinary shares hold a nominal value of £0.001 each. 'D' ordinary shares will be automatically converted into 'C' Ordinary shares on the earliest of the following:

- three and a half years after their allotment or when a successful offer to purchase a 90% or more of the issued equity share capital of the company is completed.

'D' Ordinary shares will be redeemed at the option of the company by written notice to the holder of the shares to be redeemed subject to the Companies Act 2006 for a total of one pence for the holder's entire holding of 'D' Ordinary shares.

If the customer does not remain a customer of the company for three consecutive calendar years after the date of allotment, 'D' Ordinary shares will be redeemed, at the option of the company, for a total of £0.01 for the customers entire shareholding.

The directors are personally responsible to pay up in full, the nominal value of customers 'D' Ordinary shares as and when they are allotted, without recourse to the customer. The directors will have no rights over the customer shares.

'A' Ordinary shares and 'C' Ordinary shares rank pari passu in respect of the distribution of profits. The 'D' Ordinary shares shall not be entitled to participate in the distribution of profits. Unlike the holders of 'A' and 'C' Ordinary shares, the 'D' Ordinary shareholders have no rights to receive any monies on the the winding up of the company. Full rights of each class of share are outlined in the company's Articles of Association.

25 Financial commitments, guarantees and contingent liabilities

The Company is committed to purchase electric power under various short and long-term electricity supply contracts. At 30 April 2016 the estimated future commitment for the purchase of electricity under all these contracts totalled £2,485,719 (2015: 3,098,052)

At the year end the Company had also bought electricity under fixed rate forward contracts. At the year end they had committed to buying 50,943 MWh (2015: 93,085 MWh) for £2,488,542 (2015: £4,286,536).

The Company's bankers have a fixed and floating charge over the undertaking and all property and assets present and future for all monies due or to become due from the Company to the chargee on any account whatsoever.

26 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2016 £	2015 £
Acquisition of property, plant and equipment	-	98,419

27 Operating lease commitments

Lessee
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	30,000	25,000
Between two and five years	120,000	100,000
In over five years	432,500	385,417
	582,500	510,417

28 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel is as follows.

	2016 £	2015 £
Aggregate compensation	462,025	519,284

Transactions with related parties
During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2016 £	2015 £	2016 £	2015 £
Key management personnel	17,259	16,155	-	1,890
Other related parties	5,830	5,775	194,025	405,115
	23,089	21,930	194,025	407,005

No guarantees have been given or received.

29 Cash generated from operations

	2016	2015
	£	£
Profit for the year after tax	474,226	409,091
Adjustments for:		
Taxation charged	124,978	100,917
Finance costs	4,097	1,278
Investment income	(2,689)	(644)
Depreciation and impairment of tangible fixed assets	64,911	53,495
Movements in working capital:		
Decrease/(increase) in stocks	377,278	(377,278)
Decrease in debtors	430,934	175,314
Increase in creditors	161,760	328,793
Cash generated from operations	1,635,495	690,966