

Company Registration No. 08241751  
England and Wales

**GREEN NETWORK TRADING UK PLC**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2013**

**99232-2013**

**Registered Office**  
New Kings Court Tollgate  
Chandler Ford  
Eastleigh  
SO53 3LG  
England and Wales

THURSDAY



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18/09/2014

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# GREEN NETWORK TRADING UK PLC

## DIRECTORS' REPORT

### FOR THE PERIOD ENDED 31 DECEMBER 2013

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The directors present their report and financial statements for the period ended 31 December 2013.

#### **Principal activities and review of the business**

The company was incorporated on 5 October 2012. The principal activity of the company is that of trading in electrical energy.

The results for the period and the financial position at the period end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

#### **Results and dividends**

The results for the period are set out on page 6.

No dividends have been declared or paid during the period.

#### **Directors**

The following directors have held office since 5 October 2012:

D. S. Tuomey	(Appointed 5 October 2012)
J. Bradshaw	(Appointed 5 October 2012)
P. Saulli	(Appointed 24 October 2012)

#### **Financial instruments**

##### Treasury operations and financial instruments

The company has various financial instruments arising from its activities and operations. The company does not trade speculatively or otherwise in regard to derivatives or similar instruments.

##### Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

##### Interest rate risk

The company is exposed to fair value interest rate risk on any fixed rate borrowings and cash flow interest rate risk on any floating rate deposits, bank overdrafts and loans.

##### Foreign currency risk

The company's principal foreign currency exposures arise from trading with and funding to or from overseas companies.

##### Credit risk

Investment of cash surpluses and borrowings are made through banks and companies who must be approved by the Board. Debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

##### Counterparty risk

The company is reliant on it holding company supplying electricity as required. The holding company is a major European supplier of electricity and therefore the directors consider that the risk on not being able to receive the required amounts is minimal.

# GREEN NETWORK TRADING UK PLC

## DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2013

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### Auditors

BDO LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report, the Strategic 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:

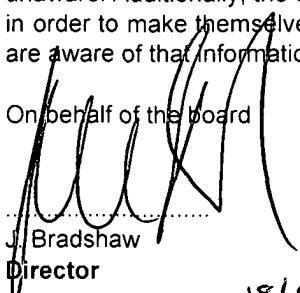
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors 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

  
J. Bradshaw  
Director

18/9/2014

# GREEN NETWORK TRADING UK PLC

## STRATEGIC REPORT

### FOR THE PERIOD ENDED 31 DECEMBER 2013

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#### Principal Risks and Uncertainties

The liquidity in the financial markets and the caution taken by financial institutions remains a constraint on the underlying growth of the UK & International business.

We continue to work on a group level to achieve access to a suitable level of liquidity funding and in the UK we are working to identify and resource access to alternative funding so that we can continue to grow our international energy trading business.

The management of the risks in energy trading remains a key focus for the management and we are currently in the process of implementing an advanced risk management system on the London trading platform. This together with local & international talent hired in 2014/15 will strengthen our capability in this area.

Developments over the past year have reaffirmed the strategic priority of developing relationships with interconnectors in Europe.

The successful delivery on this strategy is fundamental to the future of the UK operations.

#### Performance

This financial period was a strategic year in which the trading platform in London was further developed. The admission to a number of European trading platforms, such as EPEX Spot and EEX, together with the joint venture in Serbia leave us in a very strong position to build on our financial performance.

This together with our development of our market intelligence capability to allow us to build a sustained market view on the annual, monthly and daily energy price movements will build on our sustained performance over the medium to long term.

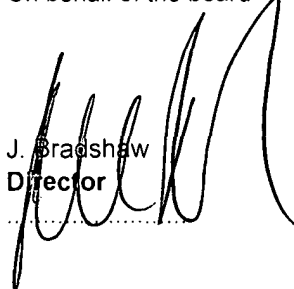
In line with the group strategy in pursuit of developing and cultivating the intellectual capital resources, the UK operation will integrate international developments for the benefit of the group. This integration of intellectual capital will lead to further efficiency and continued capital discipline.

#### Key Performance Indicators

##### Financial indicators

	2013
	€
Turnover	282,991,968
MWh Quantity	4,984,440
Profit before taxation	256,175

On behalf of the board

  
J. Bradshaw  
Director

18/9/2014

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREEN NETWORK TRADING PLC**

We have audited the financial statements of Green Network Trading plc for the year ended 31 December 2013 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. 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).

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 auditors**

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 31 December 2013 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.

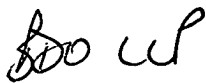
### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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.



**Jason Homewood** (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom

Date: 18/9/14

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**GREEN NETWORK TRADING UK PLC**

**PROFIT AND LOSS ACCOUNT**

**FOR THE PERIOD ENDED 31 DECEMBER 2013**

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		<b>Period ended 31 December 2013 €</b>
	<b>Notes</b>	
<b>Turnover</b>	<b>2</b>	282,991,969
Cost of sales		(282,408,507)
<b>Gross profit</b>		583,462
Administrative expenses		(322,727)
<b>Operating profit</b>	<b>3</b>	260,735
Other interest receivable and similar income	<b>4</b>	1,456
Interest payable and similar charges	<b>5</b>	(6,016)
<b>Profit on ordinary activities before taxation</b>		256,175
Tax on profit on ordinary activities	<b>6</b>	(57,054)
<b>Profit for the period</b>	<b>11</b>	199,121

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

There are no recognised gains and losses other than those passing through the profit and loss account.

**GREEN NETWORK TRADING UK PLC**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2013**

	Notes	2013 €	€
<b>Fixed assets</b>			
Tangible assets	7		3,774
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	55,087,951	
Debtors: amounts falling due after more than one year	8	380,656	
Cash at bank and in hand		3,006,044	
		58,474,651	
<b>Creditors: amounts falling due within one year</b>	9	(58,179,304)	
<b>Net current assets</b>			295,347
<b>Total assets less current liabilities</b>			299,121
<b>Capital and reserves</b>			
Called up share capital	10		100,000
Profit and loss account	11		199,121
<b>Shareholders' funds</b>	12		299,121

Approved by the Board and authorised for issue on 18/9/2014

J. Bradshaw  
Director

Company Registration No. 08241751



**GREEN NETWORK TRADING UK PLC****CASH FLOW STATEMENT****FOR THE PERIOD ENDED 31 DECEMBER 2013**

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		Period ended 31 December 2013
	€	€
<b>Net cash inflow from operating activities</b>		2,909,921
<b>Returns on investments and servicing of finance</b>		
Interest received	1,456	
	<hr/>	
<b>Net cash inflow for returns on investments and servicing of finance</b>		1,456
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(5,333)	
	<hr/>	
<b>Net cash outflow for capital expenditure</b>		(5,333)
		<hr/>
<b>Net cash inflow before management of liquid resources and financing</b>		2,906,044
<b>Financing</b>		
Issue of ordinary share capital	100,000	
	<hr/>	
<b>Net cash inflow from financing</b>		100,000
		<hr/>
<b>Increase in cash in the period</b>		<u>3,006,044</u>

**GREEN NETWORK TRADING UK PLC**

**NOTES TO THE CASH FLOW STATEMENT**

**FOR THE PERIOD ENDED 31 DECEMBER 2013**

<b>1</b>	<b>Reconciliation of operating profit to net cash inflow/(outflow) from operating activities</b>			<b>2013</b>
				<b>€</b>
	Operating profit/(loss)			260,735
	Loss on foreign exchange			(6,016)
	Depreciation of tangible assets			1,559
	Increase in debtors			(55,468,607)
	Increase in creditors within one year			58,122,250
	<b>Net cash inflow/(outflow) from operating activities</b>			<b>2,909,921</b>
<b>2</b>	<b>Analysis of net funds/(debt)</b>	<b>5 October 2012</b>	<b>Cash flow</b>	<b>31 December 2013</b>
		<b>£</b>	<b>€</b>	<b>€</b>
	Net cash:			
	Cash at bank and in hand	-	3,006,044	3,006,044
	Bank deposits	-	-	-
	<b>Net funds</b>	<b>-</b>	<b>3,006,044</b>	<b>3,006,044</b>
<b>3</b>	<b>Reconciliation of net cash flow to movement in net funds</b>			<b>2013</b>
				<b>€</b>
	Increase in cash in the period			3,006,044
	<b>Movement in net funds in the period</b>			<b>3,006,044</b>
	Opening net debt			-
	<b>Closing net funds</b>			<b>3,006,044</b>

# GREEN NETWORK TRADING UK PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 DECEMBER 2013

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#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

##### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

##### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is recognised on an accruals basis as and when the electricity is supplied.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33.33% straight line
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##### 1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### 1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

##### 1.7 Foreign currency translation

The company's accounting records are maintained in Euros.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Monetary assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

#### 2 Turnover

Turnover represents income derived from the company's principal activity.

##### Geographical market

	Turnover 2013 €
France	55,136,009
Germany	181,690,559
Italy	27,054,789
Switzerland	19,110,612
	<u>282,991,969</u>

**GREEN NETWORK TRADING UK PLC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 DECEMBER 2013**

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<b>3</b>	<b>Operating profit</b>	<b>2013</b>
		<b>€</b>
	Operating profit is stated after charging:	
	Depreciation of tangible assets	1,559
	Operating lease rentals	78,929
	Fees payable to the company's auditor for the audit of the company's annual accounts	21,015
		<u>21,015</u>
<b>4</b>	<b>Investment income</b>	<b>2013</b>
		<b>€</b>
	Bank interest	1,456
		<u>1,456</u>
<b>5</b>	<b>Interest payable and similar charges</b>	<b>2013</b>
		<b>€</b>
	Foreign exchange losses and other interest	6,016
		<u>6,016</u>
<b>6</b>	<b>Taxation</b>	<b>2013</b>
		<b>€</b>
	<b>Domestic current year tax</b>	
	Domestic corporate taxation of 20.82%	57,054
		<u>57,054</u>
	<b>Total current tax</b>	<u>57,054</u>
	<b>Factors affecting the tax charge for the period</b>	
	Profit on ordinary activities before taxation	256,175
		<u>256,175</u>
	 Profit on ordinary activities before taxation multiplied by standard rate of corporation tax of 20.82%	 53,342
		<u>53,342</u>
	Effects of:	
	Non deductible expenses	4,498
	Accelerated capital allowances	(786)
		<u>3,712</u>
	 <b>Current tax charge for the period</b>	 <u>57,054</u>

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**GREEN NETWORK TRADING UK PLC**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 DECEMBER 2013**

**7 Tangible fixed assets**

	<b>Plant and machinery €</b>
<b>Cost</b>	
At 5 October 2012	-
Additions	5,333
	<u>5,333</u>
At 31 December 2013	<u>5,333</u>
<b>Depreciation</b>	
At 5 October 2012	-
Charge for the period	1,559
	<u>1,559</u>
At 31 December 2013	<u>1,559</u>
<b>Net book value</b>	
At 31 December 2013	<u><u>3,774</u></u>

**8 Debtors** **2013**  
**€**

Trade debtors	428,182
Other debtors	421,710
Prepayments and accrued income	54,618,715
	<u>55,468,607</u>

Amounts falling due after more than one year and included in the debtors above are:

	<b>2013 €</b>
Trade debtors	<u><u>380,656</u></u>

**GREEN NETWORK TRADING UK PLC**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 DECEMBER 2013**

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<b>9</b>	<b>Creditors: amounts falling due within one year</b>	<b>2013</b>
		<b>€</b>

Trade creditors	26,266,280
Corporation tax	57,054
Other taxes and social security costs	4,821
Other creditors	997,025
Accruals and deferred income	30,854,124
	<u>58,179,304</u>

**10 Share capital**

**2013**

**€**

**Allotted, called up and fully paid**

Ordinary shares of £1 each	100,000
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The issued shares represent 100,000 ordinary shares with a par value of £1 each.

**11 Statement of movements on profit and loss account**

**Profit and  
loss  
account  
€**

Profit for the period	199,121
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**12 Reconciliation of movements in shareholders' funds**

**2013**

**€**

Profit for the financial period	199,121
Proceeds from issue of shares	100,000
Net addition to shareholders' funds	299,121
Opening shareholders' funds	-
Closing shareholders' funds	<u>299,121</u>

## GREEN NETWORK TRADING UK PLC

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE PERIOD ENDED 31 DECEMBER 2013

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#### 13 Financial commitments

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014:

	Land and buildings 2013 €
Operating leases which expire:	
Within one year	55,213

In addition as at the balance sheet date the company had signed forward contracts relating to the buying and selling of electricity for values of £5,772,834 and £9,164,332 respectively.

#### 14 Employees

##### Number of employees

The average monthly number of employees (including directors) during the period was:

	2013 Number
Administration	1

##### Employment costs

	2013 €
Wages and salaries	53,936
Social security costs	5,398
	59,334

#### 15 Control

The immediate and ultimate parent company is Green Network Spa, a company incorporated in Italy.

#### 16 Related party relationships and transactions

The company had the following related party transactions with the parent company, Green Network Spa. Sales €260,080,082 including accrued income of €51,691,420 and purchases of €21,583,258 including accrued costs of €4,302,154. As at the period end date the company owes €937,250 to the parent company.

The company had the following related party transactions with Orsa Sawai Limited, a company incorporated in the United Kingdom, of which the director, D.S. Toumey is also a director. Administrative fees payable €54,933 including an accrual as the period end date of €6,075.

**GREEN NETWORK TRADING UK PLC****DETAILED PROFIT AND LOSS ACCOUNT****FOR THE PERIOD ENDED 31 DECEMBER 2013**

		Period ended 31 December 2013 €
<b>Turnover</b>		282,991,969
Cost of sales		(282,408,507)
<b>Gross profit</b>		583,462
<b>Administrative Expenses</b>		
Wages and Salaries	53,936	
Social Security Costs	5,398	
Rent & service charges	78,929	
Flat hire	57,303	
Administrative Charges	59,706	
Companies House fees	409	
Auditors Remuneration	21,015	
Computer costs	1,110	
Internet costs	4,969	
Delivery & couriers	663	
Printing, postage and stationery	650	
Telephone	5,964	
Staff training	15,840	
Staff welfare	502	
Travel & subsistence	947	
Bank Charges	5,564	
Depreciation	1,559	
Subscriptions	7,200	
Sundry expenses	1,063	
		(322,727)
<b>Operating profit</b>		260,735
<b>Other interest receivable and similar income</b>		
Bank interest	1,456	
		1,456
<b>Interest payable and similar expenditure</b>		
Exchange loss	(6,016)	
		(6,016)
<b>Profit on ordinary activities before taxation</b>		256,175

This page is supplementary to and does not form part of the statutory financial statements.