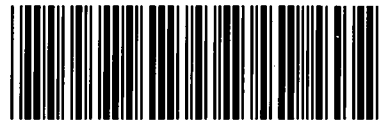


Company Registration No. 09701430 (England and Wales)

E HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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E HOLDINGS LIMITED

COMPANY INFORMATION

Director	Mr P A W Cooke
Company number	09701430
Registered office	T3, Trinity Park Bickenhill Lane Birmingham B37 7ES
Auditor	Baldwins Audit Services Churchill House 59 Lichfield Street Walsall West Midlands WS4 2BX

E HOLDINGS LIMITED

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E HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The director presents the strategic report for the year ended 31 March 2018.

Fair review of the business

The results for the year and the financial position of the Company are shown in the following financial statements.

During the year to 31 March 2018 the Company continued to make significant progress in growing its customer base and putting procedures in place to improve the customer experience.

Principal risks and uncertainties

The objective of the Company is to deliver long-term value to its shareholder whilst providing competitive pricing and great service to its customers. The strategy to achieve this involves continuous investment in technology, systems and people. We aim to ensure everything is simple and straightforward for our customers.

The directors believe that Smart meters are a key element of improving customer experience for customers using a prepayment meter. The company has agreements in place with a number of installation partners and is committed to installing meter sets. Additional use of smart technologies is planned and will further improve the customer experience.

Development and performance

The UK market for the domestic supply of energy remains highly competitive amongst the newer independent suppliers, the number of which continues to grow. The market is also highly regulated and some major reforms have come into force. These involve significant investment in system changes.

The Company enhances its customer service by providing an application that enables meter top ups anywhere to save its customers time provide an added value service.

E HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

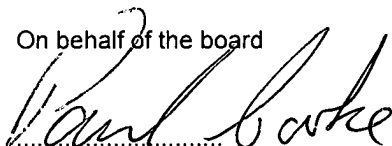
FOR THE YEAR ENDED 31 MARCH 2018

Key performance indicators

Risk is inherent in all businesses. Risks are constantly monitored by the senior management team in order for processes to be implemented to mitigate them. The directors consider the principal risks to the Company achieving its objectives are those identified below. They also recognise, however, that the nature of those risks change and that there may be additional risks, not yet identified, or risks currently considered immaterial that may impact on the business;

- a. Economic environment
The economic environment, and changes to it, can impact upon customer spending. The directors seek to mitigate this risk by means of investment in technology and systems and by ensuring that the Company's offering remains competitive.
- b. Managing customer expectations
The business has invested and continues to make significant investment in both systems and people to ensure that the customer experience is both monitored and continuously improving.
- c. Competition
The Company monitors both the activities of new entrants to the market and of existing competitors to ensure that it is able to maintain and expand its own market position.
- d. Cash flow and liquidity risk
The company is debt free and cash flows are strong. Cash flow forecasts are produced on a regular basis to ensure that liquidity is maintained and that longer term and strategic funding requirements are both identified and managed.
- e. Employees
Senior management recognises the importance of a well-trained, knowledgeable and highly motivated workforce. As a result it remains committed to attracting, developing and maintaining staff of the highest calibre.
- f. Volume and price risks
Senior management monitors wholesale prices, and trading strategies are in place to mitigate the volume and price risk in what can be a volatile market.
- g. Regulatory and legislative risk
In common with all energy supply businesses, the Company is subject to ever increasing and time consuming regulatory requirements across all areas of its operations. Failure to comply with those requirements can have serious consequences not least being financial and reputational damage. Consequently, senior management continues to direct increasing resources towards ensuring that there is a compliance regime that monitors and, where possible, mitigates such risks.

On behalf of the board



Mr P A W Cooke

Director

20/12/18

E HOLDINGS LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The director presents his annual report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company and group continued to be that of trading in energy sources.

Director

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

Mr P A W Cooke

Results and dividends

The results for the year are set out on page 8.

Political donations

No political donations have been made within the year.

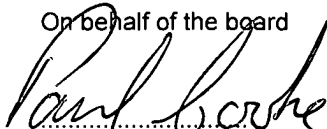
Auditor

In accordance with the company's articles, a resolution proposing that Baldwins Audit Services be reappointed as auditor of the group will be put forward at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually 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 auditor of the company is aware of that information.

On behalf of the board



Mr P A W Cooke

Director

Date: 20/12/18

E HOLDINGS LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is 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 group and company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

E HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF E HOLDINGS LIMITED

Opinion

We have audited the financial statements of E Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2018 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

E HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF E HOLDINGS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

E HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF E HOLDINGS LIMITED

John Edwards

**Mr John Edwards (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services**

20 December 2018

**Accountants
Statutory Auditor**

Churchill House
59 Lichfield Street
Walsall
West Midlands
WS4 2BX

E HOLDINGS LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £000	2017 £000
Turnover	4	120,212	71,296
Cost of sales		(113,139)	(61,658)
Gross profit		7,073	9,638
Administrative expenses		(5,752)	(4,287)
Other operating income		20	31
Operating profit	7	1,341	5,382
Interest receivable and similar income	8	72	29
Interest payable and similar expenses	9	(1)	(1)
Profit before taxation		1,412	5,410
Tax on profit	10	(385)	(1,054)
Profit for the financial year		1,027	4,356

Profit for the financial year is all attributable to the owners of the parent company.

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

E HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	2018 £000	2017 £000
Profit for the year	1,027	4,356
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,027</u>	<u>4,356</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

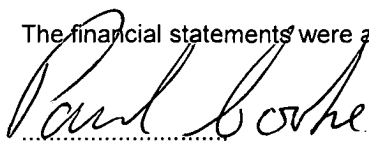
E HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £000	£000	2017 £000	£000
Fixed assets					
Goodwill	13		666		718
Other intangible assets	13		8		14
Total intangible assets			674		732
Tangible assets	12		2,898		294
			3,572		1,026
Current assets					
Stocks	16	20		41	
Debtors	17	15,856		8,518	
Cash at bank and in hand		9,588		10,647	
		25,464		19,206	
Creditors: amounts falling due within one year	18	(23,638)		(15,936)	
Net current assets			1,826		3,270
Total assets less current liabilities			5,398		4,296
Provisions for liabilities	19		(28)		55
Net assets			5,370		4,351
Capital and reserves					
Profit and loss reserves			5,370		4,351

The financial statements were approved and signed by the director and authorised for issue on 20/12/2018.



Mr P A W Cooke
Director

E HOLDINGS LIMITED

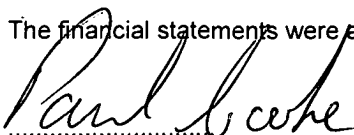
COMPANY BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £000	£000	2017 £000	£000
Current assets		-		-	
Creditors: amounts falling due within one year	18	(10)		(5)	
Net current liabilities			(10)		(5)
Capital and reserves					
Profit and loss reserves			(10)		(5)

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £4,200 (2017: £200).

The financial statements were approved and signed by the director and authorised for issue on 20/12/2018



Mr P A W Cooke
Director

Company Registration No. 09701430

E HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Profit and loss reserves £000
Balance at 1 April 2016		-
Year ended 31 March 2017:		
Profit and total comprehensive income for the year		4,356
Dividends	11	(5)
Balance at 31 March 2017		4,351
Year ended 31 March 2018:		
Profit and total comprehensive income for the year		1,027
Dividends	11	(9)
Balance at 31 March 2018		5,369

E HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Profit and loss reserves £000
Balance at 1 April 2016		-
Year ended 31 March 2017:		
Profit and total comprehensive income for the year		-
Dividends	11	(5)
Balance at 31 March 2017		(5)
Year ended 31 March 2018:		
Profit and total comprehensive income for the year		4
Dividends	11	(9)
Balance at 31 March 2018		(10)

E HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

		2018	2017
	Notes	£000	£000
Cash flows from operating activities			
Cash generated from operations	1	3,692	4,778
Interest paid		(1)	(1)
Income taxes paid		(1,229)	(162)
Net cash inflow from operating activities		<u>2,462</u>	<u>4,615</u>
Investing activities			
Purchase of business		-	6,101
Purchase of intangible assets		(2)	(19)
Proceeds on disposal of intangibles		(1)	-
Purchase of tangible fixed assets		(2,790)	(99)
Proceeds on disposal of tangible fixed assets		36	27
Proceeds from other investments and loans		(821)	-
Interest received		72	27
Net cash (used in)/generated from investing activities		<u>(3,506)</u>	<u>6,037</u>
Financing activities			
Proceeds from issue of shares		(6)	-
Dividends paid to equity shareholders		(9)	(5)
Net cash used in financing activities		<u>(15)</u>	<u>(5)</u>
Net (decrease)/increase in cash and cash equivalents		<u>(1,059)</u>	<u>10,647</u>
Cash and cash equivalents at beginning of year		10,647	-
Cash and cash equivalents at end of year		<u><u>9,588</u></u>	<u><u>10,647</u></u>

E HOLDINGS LIMITED

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £000	£000	2017 £000	£000
Cash flows from operating activities					
Investing activities					
Dividends received		9		5	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			9		5
Financing activities					
Dividends paid to equity shareholders		(9)		(5)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(9)		(5)
			<u> </u>		<u> </u>
Net increase in cash and cash equivalents			-		-
Cash and cash equivalents at beginning of year			-		-
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u> </u>		<u> </u>

E HOLDINGS LIMITED

COMPANY STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Cash generated from group operations

	2018 £000	2017 £000
Profit for the year after tax	1,027	4,362
Adjustments for:		
Taxation charged	385	1,053
Finance costs	1	1
Investment income	(72)	(28)
(Gain)/loss on disposal of tangible fixed assets	(4)	16
Loss on disposal of intangible assets	1	-
Amortisation and impairment of intangible assets	59	49
Depreciation and impairment of tangible fixed assets	158	109
Movements in working capital:		
Decrease/(increase) in stocks	21	(5)
(Increase) in debtors	(6,434)	(2,269)
Increase in creditors	8,549	1,490
Cash generated from operations	3,691	4,778

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the director is 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.

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

3 Accounting policies

Company information

E Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is T3, Trinity Park, Bickenhill Lane, Birmingham, B37, 7ES

The group consists of E Holdings Limited and all of its subsidiaries.

3.1 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 £000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

3.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Accounting policies

(Continued)

The consolidated financial statements incorporate those of E Holdings Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2018. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

3.3 Going concern

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

3.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Accounting policies

(Continued)

3.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

3.7 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 where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset 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:

Software	Straight Line over 3 years
----------	----------------------------

3.8 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:

Freehold land and buildings	
Fixtures and fittings	Straight Line over 4 years
Computers	Straight Line over 3 years
Motor vehicles	Straight Line over 3 years

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 recognised in the profit and loss account.

3.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Accounting policies

(Continued)

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

3.10 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Accounting policies

(Continued)

3.11 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

3.12 Cash at bank and in hand

Cash at bank and in hand 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.

3.13 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Accounting policies

(Continued)

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.

De-recognition 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 group 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 group after deducting all of its 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 payments 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 through 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.

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Accounting policies

(Continued)

De-recognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

3.14 Equity instruments

Equity instruments issued by the group 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 group.

3.15 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

3.16 Taxation

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

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 group'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 if, and only if, there is 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.

3.17 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.

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Accounting policies

(Continued)

3.18 Retirement benefits

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

3.19 Leases

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.

4 Turnover and other revenue

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

	2018 £000	2017 £000
Turnover analysed by class of business		
Sale of Goods	120,212	71,296

	2018 £000	2017 £000
Other significant revenue		
Interest income	72	29

	2018 £000	2017 £000
Turnover analysed by geographical market		
UK	120,212	71,296

5 Auditor's remuneration

	2018 £000	2017 £000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	5	4
Audit of the financial statements of the company's subsidiaries	19	18
	24	22

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

6 Employees

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

Group 2018 Number	2017 Number	Company 2018 Number	2017 Number
23	20	-	-
99	75	-	-
<u>122</u>	<u>95</u>	<u>-</u>	<u>-</u>

Their aggregate remuneration comprised:

	Group 2018 £000	2017 £000	Company 2018 £000	2017 £000
Wages and salaries	2,539	550	-	-
Social security costs	215	163	-	-
Pension costs	96	40	-	-
	<u>2,850</u>	<u>753</u>	<u>-</u>	<u>-</u>

7 Operating profit

	2018 £000	2017 £000
Operating profit for the year is stated after charging/(crediting):		
Research and development costs	-	169
Depreciation of owned tangible fixed assets	158	110
(Profit)/loss on disposal of tangible fixed assets	(4)	16
Amortisation of intangible assets	59	51
Loss on disposal of intangible assets	1	-
Cost of stocks recognised as an expense	110	57
Operating lease charges	153	133
	<u>153</u>	<u>133</u>

8 Interest receivable and similar income

	2018 £000	2017 £000
Interest income		
Interest on bank deposits	71	28
Other interest income	1	1
	<u>72</u>	<u>29</u>
Total income	<u>72</u>	<u>29</u>

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

8 Interest receivable and similar income (Continued)

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	71	28
	<u>71</u>	<u>28</u>

9 Interest payable and similar expenses

	2018 £000	2017 £000
Other finance costs:		
Other interest	1	1
	<u>1</u>	<u>1</u>

10 Taxation

	2018 £000	2017 £000
Current tax		
UK corporation tax on profits for the current period	302	1,018
	<u>302</u>	<u>1,018</u>
Deferred tax		
Origination and reversal of timing differences	83	36
	<u>83</u>	<u>36</u>
 Total tax charge for the year	 385	 1,054
	<u>385</u>	<u>1,054</u>

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:

	2018 £000	2017 £000
Profit before taxation	1,412	5,415
	<u>1,412</u>	<u>5,415</u>
 Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	 268	 1,083
Tax effect of expenses that are not deductible in determining taxable profit	41	-
Tax effect of utilisation of tax losses not previously recognised	-	(110)
Permanent capital allowances in excess of depreciation	59	(37)
Depreciation on assets not qualifying for tax allowances	-	14
Other non-reversing timing differences	25	44
Deferred tax adjustments in respect of prior years	(7)	57
Loss on sales of fixed assets	(1)	3
	<u>268</u>	<u>1,083</u>
 Taxation charge for the year	 385	 1,054
	<u>385</u>	<u>1,054</u>

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

11 Dividends

	2018 £000	2017 £000
Final paid	9	5

12 Tangible fixed assets

Group	Freehold land and buildings £000	Fixtures and fittings £000	Computers £000	Motor vehicles £000	Total £000
Cost					
At 1 April 2017	-	194	114	132	440
Additions	2,417	4	24	345	2,790
Disposals	-	-	-	(60)	(60)
At 31 March 2018	2,417	198	138	417	3,170
Depreciation and impairment					
At 1 April 2017	-	53	39	50	142
Depreciation charged in the year	-	41	49	68	158
Eliminated in respect of disposals	-	-	-	(28)	(28)
At 31 March 2018	-	94	88	90	272
Carrying amount					
At 31 March 2018	2,417	104	50	327	2,898
At 31 March 2017	-	139	75	80	294

The company had no tangible fixed assets at 31 March 2018 or 31 March 2017.

13 Intangible fixed assets

Group	Goodwill £000	Software £000	Total £000
Cost			
At 1 April 2017	762	20	782
Additions - separately acquired	-	2	2
At 31 March 2018	762	22	784
Amortisation and impairment			
At 1 April 2017	44	7	51
Amortisation charged for the year	52	7	59
At 31 March 2018	96	14	110

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

13 Intangible fixed assets

(Continued)

Carrying amount

At 31 March 2018	666	8	674
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2017	718	14	732
	<u> </u>	<u> </u>	<u> </u>

The company had no intangible fixed assets at 31 March 2018 or 31 March 2017.

14 Subsidiaries

Details of the company's subsidiaries at 31 March 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
E (Gas and Electricity) Limited	England	Trading in energy sources	Ordinary Shares	100.00	
E (Fuels) Limited	England	Trading in energy sources	Ordinary Shares	100.00	

15 Financial instruments

	Group 2018 £000	2017 £000	Company 2018 £000	2017 £000
Carrying amount of financial assets				
Debt instruments measured at amortised cost	14,372	7,324	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount of financial liabilities				
Measured at amortised cost	23,545	15,016	10	5
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 Stocks

	Group 2018 £000	2017 £000	Company 2018 £000	2017 £000
Finished goods and goods for resale	20	41	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

17 Debtors

	Group 2018 £000	2017 £000	Company 2018 £000	2017 £000
Amounts falling due within one year:				
Trade debtors	3,395	1,125	-	-
Corporation tax recoverable	65	-	-	-
Amounts owed by group undertakings	-	1,080	-	-
Other debtors	8,992	3,675	-	-
Prepayments and accrued income	1,904	1,638	-	-
	<u>14,356</u>	<u>7,518</u>	<u>-</u>	<u>-</u>
Amounts falling due after more than one year:				
Other debtors	<u>1,500</u>	<u>1,000</u>	<u>-</u>	<u>-</u>
Total debtors	<u>15,856</u>	<u>8,518</u>	<u>-</u>	<u>-</u>

18 Creditors: amounts falling due within one year

	Group 2018 £000	2017 £000	Company 2018 £000	2017 £000
Trade creditors	3,406	685	-	-
Amounts due to group undertakings	-	5	10	5
Corporation tax payable	15	877	-	-
Other taxation and social security	78	43	-	-
Other creditors	(203)	1,664	-	-
Accruals and deferred income	20,342	12,662	-	-
	<u>23,638</u>	<u>15,936</u>	<u>10</u>	<u>5</u>

19 Deferred taxation

Deferred tax assets and liabilities are offset where the group or 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:

	Liabilities 2018 £000	Liabilities 2017 £000
Group		
Accelerated capital allowances	<u>28</u>	<u>35</u>

E HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

19 Deferred taxation (Continued)

20 Retirement benefit schemes

	2018 £000	2017 £000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	96	40

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Financial commitments, guarantees and contingent liabilities

During the year the Group offered a new customer signing loyalty reward which is redeemable after a year's contract has been fulfilled. The directors are not able to reliably estimate the financial effect expected as the number of customers fulfilling the one years contract is unpredictable.

In September 2016 Ofgem opened an investigation. The investigation is ongoing at the time of authorising the financial statements. As the potential outcome of the investigation is not currently known, it is not possible at this stage to quantify any potential fiscal impact

22 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:

	2018 £	2017 £
Within one year	46,304	80,500
Between two and five years	-	120,750
In over five years	-	-
	<u>46,304</u>	<u>201,250</u>

1 Cash generated from operations - company

	2018 £000	2017 £000
Profit for the year after tax	4	-
Adjustments for:		
Investment income	(9)	(5)
Movements in working capital:		
Increase in creditors	5	5
Cash absorbed by operations	<u>-</u>	<u>-</u>