REGISTERED NUMBER: 09796351 (England and Wales)

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS

AND

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

FOR

RETIG LTD

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

RETIG LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019

DIRECTORS:	D A Leiper S J Perkins C Russell T P Newby M N Morgan K Nishida
SECRETARY:	Mrs S L Hayward
REGISTERED OFFICE:	Fifth Floor, Lombard House 145 Great Charles Street Birmingham England United Kingdom B3 3LP
REGISTERED NUMBER:	09796351 (England and Wales)
INDEPENDENT AUDITORS:	PricewaterhouseCoopers LLP One Chamberlain Square Birmingham England United Kingdom B3 3AX

RETIG LTD (REGISTERED NUMBER: 09796351)

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Directors present their strategic report of the Company and the Group for the year ended 31 March 2019.

Retig Ltd (the Company) is the parent company of Tonik Energy Limited, Locus Energy Ltd and Phoenix Renewables Ltd (the Group). The Company's principal activity is the provision of group strategy services to its subsidiary companies.

PRINCIPAL ACTIVITIES OF THE GROUP

The principal activity of Tonik Energy Limited (Tonik) is a renewable energy supply business - supplying UK homes renewable electricity and gas. Tonik's mission is to halve energy bills by helping members (customers) to understand and optimise their usage, reduce the cost of supplying gas and electricity, and to help members move from centralised, non-renewable energy to local, distributed and renewable technology that generates and saves energy in the home. Locus Energy Ltd (Locus) provides gas shipping services to Tonik. Phoenix Renewables Ltd – trading as The Phoenix Works (Phoenix) provides installation and maintenance services of green energy technology solutions including solar, battery storage, and electric vehicle charging infrastructure for homes and businesses.

REVIEW OF BUSINESS

The Directors are very encouraged by the developments and progress made by the Company and the Group over the financial year. The member base of Tonik has grown by approximately 75% whilst also focusing on the mission to integrate renewable technologies into a member's everyday life and into their home. Growth of the member base has been managed strategically in order to offer great experience and value to our members whilst also delivering sustainable commercial offers.

An important step in the integration of renewable technologies was the acquisition of The Phoenix Works in August 2018. Phoenix is well respected within the industry for providing quality service and expertise in the renewable energy sector, supporting both major commercial clients and domestic customers alike. The combined offerings and service delivery capabilities of Phoenix and Tonik provide exciting opportunities to differentiate our propositions within a competitive retail energy market. By installing, maintaining, servicing and integrating distributed technologies for Tonik members the Group will be able to reduce traditional energy bills whilst enabling a greener and more distributed energy system.

Significant investments in people, process and technology have continued throughout the year across the Group so that Group companies can continue to provide strong propositions, innovative projects and excellent service in a competitive market.

In February 2019, the Company successfully secured an investment of £13.3m, with £3m coming from private investors and £10.3m from Mitsui & Co. (Mitsui), a Tokyo based company. This provided the Group with the funds necessary to continue its investment in growth, proposition development and people in line with the delivery of the mid-term business plan. There has been a further funding round which completed with Mitsui investing further funds in December 2019 in order to consolidate on our growing member base.

The strategic alignment that has been formed between the Company and Mitsui will allow the Group to continue to grow organically in line with the business plan, but also to explore additional, targeted acquisitions.

Key Performance Indicators

During the year, revenue increased by 303% to £81.1m (2018: £26.7m), which includes the revenue stream acquired during the year for the installation of green technology solutions. The Group's Operating losses grew to £18.9m (2018: £4.8m), as the Group continued to invest in growth and infrastructure. These losses were anticipated in the mid-term business plan, as part of the longer-term strategy.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board regularly meet to review and discuss the key risks and issues facing the Company and the Group and review the Enterprise Risk report alongside key targets and KPIs of the business.

The principal risks include:

Energy supply market competition: the number of active energy suppliers has contracted during the financial year and since the financial year end. Tonik has monitored closely the risks and opportunities that competition creates. Given Tonik's differentiated brand, propositions and in-house technology capabilities Directors believe Tonik is well placed to continue to outperform the market. Recent market exits have further highlighted that competitors without adequate capital, a strong retail proposition, and extensive internal capability will struggle to stabilise.

Green technology solutions market competition: Given the growth in demand for EV charging infrastructure, there has been an increase in the number of competitors active in the sector. The Phoenix Works has responded to this challenge by leveraging the Directors' and employees' industry experience to develop propositions into an end-to-end service offering to include consultation, design, specification, supply, installation, maintenance and network operation. Within the solar sector many competitors exited the market when the incentives were cut. Customer inquiries have since rebounded leading to a positive outlook for this business line as well as EV charging.

Energy wholesale market activity: Tonik's trading and hedging policies enable it to manage wholesale risks for the Company. Investments in commercial systems and growth of the team has enabled more predictability in costs and cash requirements. Through the Group's strategic trading partnership Tonik buys gas and electricity volumes ahead in line with member sales. By selling fixed price contracts Tonik fixes the cost of gas and electricity to be supplied, reducing exposure to market risk.

Group cash management: Long term (monthly forecast for five years), mid-term (weekly forecast for 18 months) and short term (daily for 3 months) cash forecasts are maintained and regularly reviewed by the Board. Over 98% of Tonik members pay by monthly direct debit and are monthly billed. Tonik continues to develop its proactive credit management capabilities within its core systems to reduce bad debt risk.

Regulatory and compliance risks: The regulatory environment continues to change and evolve in line with consumer and market risks. Tonik's internal compliance capability pro-actively engages with regulatory bodies to provide input and information where appropriate and ensure any new changes are effectively delivered by the business.

Skilled recruitment: Unemployment remains historically low making skilled recruitment for the installation of green technology solutions generally challenging; in addition to this the electrical trades are in particular demand. To respond to the demand challenges, the Group's dedicated People Team support recruitment into specialist roles. Phoenix is in the process of establishing a Training Academy to upskill employees and new recruits with particular skills required to deliver electric vehicle, solar photovoltaic and battery storage technologies. Investing in the professional development of the Phoenix's employees is a core component of the Group strategy. A labour outsourcing strategy has also been initiated to support the core team during short-term periods of increased demand.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

FUTURE DEVELOPMENTS AND POST BALANCE SHEET EVENTS

The Group continues to organically grow the energy supply business and scale the integrated proposition with The Phoenix Works by offering advanced green energy solutions as part of an end to end home energy solution.

In December 2019, the Company completed a funding round of £11m received from Mitsui. This has provided the Group with the resources required to support the delivery of the business plan.

GOING CONCERN

The Consolidated Statement of Financial Position as at 31 March 2019 shows a net current liabilities and net liabilities position. The Directors have considered this when assessing the appropriateness of the going concern basis of the preparation of the financial statements.

The Directors are confident that the Group and the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

The Company has successfully completed fund raises in February 2019 and December 2019, in line with its mid-term business plan, which support the ongoing activities and liquidity of the Group and Company. These investments were from private investors and Mitsui, reflecting the confidence in the business plan and Management's ability to deliver the plan.

Throughout the fundraising process, there has been a strong alignment with Mitsui which has brought a valuable strategic and long-term partnership. During the year, the relationship with key suppliers has strengthened which has brought additional synergies on future plans beneficial to both parties. The Directors believe that this provides continuing access to financial and strategic support which has been available to date and the Directors have no reason to believe that this would not be forthcoming in the future.

Detailed cash flow modelling has been completed for the Group which have confirmed the Directors expectation that there are sufficient funds in place to sustain the operational targets for the immediate period. There are also a number of additional levers available that will allow the Group to optimise its liquidity through any periods of uncertainty and to still meet its obligations for the foreseeable future.

APPROVED BY THE BOARD AND SIGNED ON ITS BEHALF BY:

....

C Russell - Director

Date: 20 February 2020

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019

The Directors present their report with the audited financial statements of the Company and the Group for the year ended 31 March 2019.

DIVIDENDS
No dividends will be distributed for the year ended 31 March 2019 (period ended 31 March 2018: £nil).

FUTURE DEVELOPMENTS
Future developments of the Group are disclosed within the Strategic Report.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

D A Leiper
S J Perkins
C Russell

Other changes in directors holding office are as follows:

T P Newby – appointed 3 August 2018
K Katamura – appointed 25 April 2019; resigned 31 December 2019
J I M Hayward – resigned 21 November 2019
M N Morgan – appointed 26 November 2019
K Nishida – appointed 31 December 2019

DONATIONS
Donations totalling £1,998 (period ended 31 March 2018: £9,400) were made to charities by the Group.

There were no political donations made during the year to 31 March 2019 (period to 31 March 2018: £nil).

FINANCIAL RISK MANAGEMENT
Financial risk management objectives and policies

Retig Group has a central department within Tonik that is responsible for financing and treasury policies across the Group. Strategic financing and corporate financing are managed within this department. The treasury and accounting teams employ a regular forecasting and monitoring process to ensure that the company complies with all banking and other covenants that apply to the running of the Group.

Funding of the Group is from a number of private investors and Mitsui, a corporate investor, to enable the Group to grow and develop its strategy. The Company and Group do not enter into speculative Treasury arrangements.

FINANCIAL RISK MANAGEMENT – continued

Exposure to risk
The Board has approved a market risk management policy and a credit risk management policy which has been agreed with our preferred trading partner.

Liquidity and cash flow risk:
Further discussion of liquidity and cash flow risks is included within the principal risks and uncertainties section of the Strategic Report (see page 3).

Credit risk:
Credit risk arises from exposure to a member's ability to pay for the gas and electricity they consume. This is mitigated due to over 98% of Tonik's member base paying by fixed monthly direct debit, with the first payment taken on the supply start date. There has been significant investment over the last year in a number of processes and system improvements for credit management, including robust payment adequacy and debt collection processes. This has led to a low customer debt level for a business to consumer (B2C) supply business.

Credit risk also arises from mark to market risk on hedges placed with Tonik's preferred trading partner, this is mitigated as the trades are placed from an agreed credit line which covers the majority of the traded credit exposure at any point in time.

Credit risk related to the customer's ability to pay for the cost of installation of green energy solutions is mitigated by Phoenix receiving deposits towards the cost of installation from both domestic and commercial customers.

Price risk:
Price risk arises from the movement in wholesale gas and electricity prices versus the tariff rates for customers on fixed-price contracts. The majority of Tonik's members (c. 90%) are on forms of fixed-price, fixed-term contracts. Matching the hedging strategy to the pricing strategy and purchasing gas and electricity at the point of entering into the customer contract enables Tonik to lock in the price of the wholesale gas and electricity sold under the customer contract and therefore minimise price risk. Regular re-shaping of hedges and management of imbalance reduces price risk further and the introduction of a new Energy Trading and Risk Management system in the near future will again enhance our ability to mitigate this risk.

The standard variable tariff (SVT) carries little price risk as Tonik hedge in line with Ofgem's price cap observation period and hedge costs are known prior to setting the price of the tariff. Tonik does not speculate in the wholesale markets.

Price risk associated with the profitability of products and services is managed via preferred supplier agreements and, where possible, procurement directly from manufacturers to achieve the most competitive purchase prices whilst constantly reviewing sales prices in line with direct costs and with reference to competitors to achieve sales targets in line with the business plan.

DIRECTORS' INDEMNITIES
The Company maintains liability insurance for its Directors and officers. This is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006. This insurance cover was in force during the year and is still in force at the date of approving these financial statements

GOING CONCERN
The Directors' assessment of the going concern basis for preparation is disclosed within the Strategic Report and note 2 to the Financial Statements.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 Directors are 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.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and at the time the report is approved each Director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

APPROVED BY THE BOARD AND SIGNED ON ITS BEHALF BY:

....
C Russell - Director

Date: 20 February 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RETIG LTD

Report on the audit of the financial statements

Opinion

In our opinion, Retig Ltd's Group financial statements and Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 March 2019 and of the Group's loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Group Strategic Report, Report of the Directors and Audited Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Statements of Financial Position as at 31 March 2019; the Consolidated Income Statement, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern - Group and Company

In forming our opinion on the group financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the Group and Company's ability to continue as a going concern. The Group requires a further fundraise to continue operating for at least 12 months from the date of this report and to support its delivery of the mid term plan. The extent and timing of such fundraising is uncertain. Further, whilst the Directors have identified mitigating actions, not all actions that may need to be taken are within their control or may be implemented on a sufficiently timely basis. These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group and Company's ability to continue as a going concern. The group financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RETIG LTD

Reporting on other information
The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the Directors
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of directors for the financial statements
As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they 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 Directors are responsible for assessing the Group's and the 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 directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RETIG LTD

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Steven Kentish (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

Date: 21 February 2020

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Year Ended 31.3.19 £	Period 26.3.17 to 31.3.18 as restated £
REVENUE	4	81,081,777	26,707,982
Cost of sales		(85,090,358)	(25,877,918)
GROSS (LOSS)/PROFIT		(4,008,581)	830,064
Administrative expenses		(14,850,437)	(5,619,286)
OPERATING LOSS	6	(18,859,018)	(4,789,222)
Exceptional items	7	(511,274)	-
		(19,370,292)	(4,789,222)
Interest receivable and similar income		148	144
		(19,370,144)	(4,789,078)
Interest payable and similar expenses	8	(423,756)	(88,475)
LOSS BEFORE TAXATION		(19,793,900)	(4,877,553)
Tax on loss	9	9,812	43,642
LOSS FOR THE FINANCIAL YEAR/PERIOD		(19,784,088)	(4,833,911)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD		(19,784,088)	(4,833,911)

The notes on pages 18 to 40 form part of these financial statements

RETIG LTD (REGISTERED NUMBER: 09796351)

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

	Year Ended 31.3.19	Period 26.3.17 to 31.3.18 as restated
	£	£
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD	(19,784,088)	(4,833,911)

The notes on pages 18 to 40 form part of these financial statements

RETIG LTD (REGISTERED NUMBER: 09796351)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Notes	31.3.19 £	31.3.19 £	31.3.18 as restated £	31.3.18 as restated £
FIXED ASSETS					
Intangible assets	12		1,779,949		537,606
Property, plant and equipment	13		674,450		192,205
Investments	14		-		-
			2,454,399		729,811
CURRENT ASSETS					
Inventories	15	215,248		47,830	
Debtors	16	14,478,767		5,795,575	
Cash and cash equivalents	30	7,818,872		1,514,807	
		22,512,887		7,358,212	
CREDITORS:					
Amounts falling due within one year	17	32,007,180		10,096,081	
NET CURRENT LIABILITIES			(9,494,293)		(2,737,869)
TOTAL ASSETS LESS CURRENT LIABILITIES			(7,039,894)		(2,008,058)
CREDITORS:					
Amounts falling due after more than one year	18		5,954,753		-
NET LIABILITIES			(12,994,647)		(2,008,058)
CAPITAL AND RESERVES					
Called up share capital	23		1,986		1,422
Share premium account	24		12,135,951		3,991,466
Merger reserve	24		652,450		-
Accumulated losses	24		(25,785,034)		(6,000,946)
TOTAL SHAREHOLDERS' DEFICIT			(12,994,647)		(2,008,058)

The financial statements on pages 11 to 40 were approved by the Board of Directors on 20 February 2020..... and were signed on its behalf by:

....
C Russell – Director

The notes on pages 18 to 40 form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Notes	31.3.19 £	31.3.19 £	31.3.18 as restated £	31.3.18 as restated £
FIXED ASSETS					
Intangible assets	12		-		420,729
Property, plant and equipment	13		178,303		21,341
Investments	14		682,500		30,000
			860,803		472,070
CURRENT ASSETS					
Debtors	16	12,377,163		3,248,515	
Cash and cash equivalents	30	5,901,527		1,070,056	
		18,278,690		4,318,571	
CREDITORS:					
Amounts falling due within one year	17	787,944		741,412	
NET CURRENT ASSETS			17,490,746		3,577,159
TOTAL ASSETS LESS CURRENT LIABILITIES			18,351,549		4,049,229
CREDITORS:					
Amounts falling due after more than one year	18		5,793,456		-
NET ASSETS			12,558,093		4,049,229
CAPITAL AND RESERVES					
Called up share capital	23		1,986		1,422
Share premium account	24		12,135,951		3,991,466
Merger reserve	24		652,450		-
(Accumulated loss)/retained earnings	24		(232,294)		56,341
TOTAL SHAREHOLDERS' FUNDS			12,558,093		4,049,229
Company's (loss)/profit for the financial year/period			(288,635)		52,505

The financial statements on pages 11 to 40 were approved by the Board of Directors on 20 February 2020 and were signed on its behalf by:

....

C Russell – Director

The notes on pages 18 to 40 form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital £	Accumulated losses £	Share premium £	Merger reserve £	Total equity £
Balance at 26 March 2017	1,291	(1,167,035)	1,976,871	-	811,127
Changes in equity					
Issue of share capital	131	-	1,461,648	-	1,461,779
Share based payments	-	-	552,947	-	552,947
Total comprehensive loss	-	(3,841,357)	-	-	(3,841,357)
Balance at 31 March 2018	1,422	(5,008,392)	3,991,466	-	(1,015,504)
Prior year adjustment (note 11)	-	(992,554)	-	-	(992,554)
As restated	1,422	(6,000,946)	3,991,466	-	(2,008,058)
Changes in equity					
Issue of share capital	564	-	7,870,409	-	7,870,973
Share based payments	-	-	274,076	-	274,076
Share for share exchange	-	-	-	652,450	652,450
Total comprehensive loss	-	(19,784,088)	-	-	(19,784,088)
Balance at 31 March 2019	1,986	(25,785,034)	12,135,951	652,450	(12,994,647)

RETIG LTD (REGISTERED NUMBER: 09796351)

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Called up share capital £	Retained earnings/ (Accumulated losses) £	Share premium £	Merger reserve £	Total equity £
Balance at 26 March 2017	1,291	3,836	1,976,871	-	1,981,998
Changes in equity					
Issue of share capital	131	-	1,461,648	-	1,461,779
Share based payments	-	-	552,947	-	552,947
Total comprehensive income	-	52,505	-	-	52,505
Balance at 31 March 2018	1,422	56,341	3,991,466	-	4,049,229
Changes in equity					
Issue of share capital	564	-	7,870,409	-	7,870,973
Share based payments	-	-	274,076	-	274,076
Share for share exchange	-	-	-	652,450	652,450
Total comprehensive income	-	(288,635)	-	-	(288,635)
Balance at 31 March 2019	1,986	(232,294)	12,135,951	652,450	12,558,093

The notes on pages 18 to 40 form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Year Ended 31.3.19 £	Period 26.3.17 to 31.3.18 as restated £
Cash flows from operating activities			
Cash generated from operations	29	174,107	206,097
Interest paid		(423,756)	(88,475)
Net cash (used in)/generated from operating activities		(249,649)	117,622
Cash flows from investing activities			
Purchase of intangible fixed assets		(903,982)	(462,306)
Purchase of tangible fixed assets		(539,890)	(183,075)
Acquisition of Phoenix		157,443	-
Interest received		148	144
Net cash used in investing activities		(1,286,281)	(645,237)
Cash flows from financing activities			
Directors' loan repayment		(30,928)	(30,000)
Share issue		7,870,923	1,461,779
Net cash generated from financing activities		7,839,995	1,431,779
Increase in cash and cash equivalents		6,304,065	904,164
Cash and cash equivalents at beginning of year / period	30	1,514,807	610,643
Cash and cash equivalents at end of year / period	30	7,818,872	1,514,807

The notes on pages 18 to 40 form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. STATUTORY INFORMATION

Retig Ltd is a private Company limited by shares and is incorporated in the United Kingdom. The registered number of the Company is 09796351 and the registered address of the Company is Fifth Floor, Lombard House, 145 Great Charles Street, Birmingham, England, B3 3LP, UK.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The consolidated and separate financial statements have been prepared in compliance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

The financial statements comprise the audited financial statements of the Group and of the Company and are stated in pound sterling, the Group's functional and presentational currency. No income statement for the Company is presented as permitted by Section 408 of the Companies Act 2006.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern
The financial statements have been prepared under the historical cost convention and on a going concern basis.

The Consolidated Statement of Financial Position as at 31 March 2019 shows a net current liabilities and net liabilities position. The Directors have considered this when assessing the appropriateness of the going concern basis of the preparation of the financial statements.

The Directors are confident that the Group and the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

The Company has successfully completed fund raises in February 2019 and December 2019, in line with its mid-term business plan, which support the ongoing activities and liquidity of the Group and Company. These investments were from private investors and Mitsui, reflecting the confidence in the business plan and Management's ability to deliver the plan.

Throughout the fundraising process, there has been a strong alignment with Mitsui which has brought a valuable strategic and long-term partnership. During the year, the relationship with key suppliers has strengthened which has brought additional synergies on future plans beneficial to both parties. The Directors believe that this provides continuing access to financial and strategic support which has been available to date and the Directors have no reason to believe that this would not be forthcoming in the future.

The proven ability and track record of raising funds with major investors within targeted timescales has given the Directors confidence over the Group and Company's ability to raise the further funds as needed to deliver its mid-term plan.

The delivery of the mid-term plan requires additional funds to be raised within the 12 months following the date of this report and the financial statements which indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

2. **ACCOUNTING POLICIES - continued**

Going concern – continued
However, the Directors are comfortable that, given the strength of existing relationships, the demonstrated ability to raise funds previously, the commercial mitigations available to the Company, and the required level of funds required that the investment will be completed in good time. This supports the Directors' confidence over the Group and the Company's ability to continue as a going concern.

Detailed cash flow modelling has been completed for the Group which have confirmed the Directors expectation that there are sufficient funds in place to sustain the operational targets for the immediate period. There are also a number of additional levers available that will allow the Group to optimise its liquidity through any periods of uncertainty and to still meet its obligations for the foreseeable future.

Financial Reporting Standard 102 - reduced disclosure exemptions
The Group has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirement of Section 33 Related Party Disclosures paragraph 33.7.
- Paragraph 33.7 relates to the exemption of disclosure of Key Management Personnel compensation.
- The Company has taken advantage of the exemption within Section 7, paragraph 1B to not present a cash flow statement for the Company.

Transactions between Group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the Company with its subsidiary undertakings and are drawn up to 31 March 2019. All intra-group income, expenditure and balances that have taken place during the period or exist at the period end have been eliminated on consolidation.

Subsidiary undertakings are consolidated from the date of acquisition being the date that the Group obtains control. Consolidation continues until the date that the Group ceases to have control.

Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reasonably estimated for the supply of gas and electricity based on estimated industry data flows for the period.

Revenue from the supply of gas and electricity is a function of end user consumption (according to meter read data) and tariff rates (specified by contract terms) net of supplies that are not billable. Revenue is recognised net of sales discounts, VAT and other sales-related taxes.

In accordance with industry practice revenue is recorded on the basis of estimated annual consumption information supplied by the energy industry. The estimated annual consumption is based on a range of factors including industry information, meter readings and coefficients that account for usage of particular periods in the year. Revenue (both current period and future estimation) is subsequently amended based on realised customer billings as more precise data becomes available on actual consumption through to the period of final settlement.

2. ACCOUNTING POLICIES - continued

Revenue recognition – continued
Revenue includes an estimate of the value of gas and electricity supplied to the customer between the date of the last meter reading supplied and the period end.

Revenue from the sale of green energy technology solutions includes sale of goods and rendering of services activities. For sale of goods, revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work completed to date to the total estimated contract costs.

Goodwill
Goodwill represents the amount paid in connection with the acquisition of subsidiary undertakings in both 2016 and 2018 and are being amortised over their estimated useful life of ten years.

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

- Development costs are being amortised evenly over their estimated useful life of three years
- Computer software is being amortised evenly over its estimated useful life of three years

Development costs consist of internally developed software and software solutions. Costs are only capitalised when the costs can be recovered via future revenues and relate directly to the creation of an asset used within the Group. The asset includes contractor labour costs and specialist project costs. Costs are capitalised as incurred and amortised once the asset is in use.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is provided when assets become available for use in the manner intended by management at rate calculated to write off the cost of the asset over its expected useful economic life as follows:

Improvements to property	20% straight line
Plant and machinery	25% straight line
Fixtures and fittings	20% straight line
Computer equipment	33% straight line
Motor Vehicles	25% straight line

The assets are reviewed for impairment if there are factors which indicate that their carrying value may be impaired.

Inventories
Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes the purchase price and any associated costs incurred in bringing the asset to its current condition and location. Cost is determined using the first in first out method.

Inventories are assessed for impairment at the statement of financial position date. If any impairment of the inventories is identified, then an impairment charge is recognised in the Consolidated Income Statement.

2. **ACCOUNTING POLICIES - continued**

Financial instruments
The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

i) Financial assets
Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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.

ii) Financial liabilities
Basic financial liabilities, including trade and other payables and balances with fellow Group companies are initially recognised at transaction price. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax
Deferred tax assets and liabilities are in general recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised. The amount of asset or liability is determined using tax rates that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted. Deferred tax assets and liabilities are offset when the Company has 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.

In addition, deferred taxes are recognised on tax deductible tax losses carried forward to the extent that a future reversal leading to a reduction of tax expense is expected with high probability.

2. **ACCOUNTING POLICIES - continued**

Cash and cash equivalents
Cash includes all cash held at bank and in hand. There are no bank overdrafts.

Leasing
Leases are classified as finance leases when substantially all the risks and rewards of ownership have been transferred. All other leases are classified as operating leases.

Assets held under finance lease are recognised as assets at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the lease term even if the payments are not made on such a basis. Benefits received and receivable as an incentive are similarly spread on a straight-line basis over the lease term.

Pension costs
The Group and Company operate a defined contribution plan for its employees. The plan is one under which the Group and Company pay fixed contributions to a separate entity and there are no further obligations once those payments have been made. The contributions are recognised as an expense in the Income Statement as they fall due. Any unpaid amounts as at 31 March 2019 are included in other creditors in the statement of financial position. The separate entity holds and administers all funds independently from the Group and Company.

Credit cover
The Group holds Credit Cover amounts within debtors that are held as trading collateral by creditors. These amounts relate to future supplies that are not invoiced at the date of the statement of financial position and therefore are included as debtors rather than cash as they are not immediately available balances.

Investments in subsidiaries
Investments represent shares in subsidiary undertakings which are valued at cost less provision for any impairment. The assets are reviewed for impairment if there are factors which indicate the carrying value may be impaired.

Share based payments
Share options were granted to employees which vest over a three-year period from the date of issue. The share options have been fair valued with reference to a recent issue of shares by the company at the date of granting. The cost has been recognised in the Consolidated Income Statement equal to the fair value of the share options issued with a corresponding increase to equity. The amount recognised in each period is calculated based on the tranched vesting periods of the share options at their fair value.

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The Directors have made accounting judgements in preparing the financial statements:

- The Group has considered the risk surrounding the recoverability of its receivable balances and has recognised a general bad debt provision against these amounts. The Directors have judged this approach to be prudent given the trading history of the Company and its subsidiaries.

The Directors have made estimates in preparing the financial statements:

- The Company issued Share Options during the prior year to various employees and a charge to the income statement has been made to reflect the equivalent share price of the Options and the tranched vesting conditions attached. The Directors consider the value to be appropriate based on the value of the share options at the time of issue.
- Revenue includes an estimate of the value of gas and electricity supplied to members between the date of the last meter reading supplied and the period end. The Directors consider this estimate to be appropriate based on standard industry practice and after detailed review of the calculation to value the estimate of this revenue.
- Revenue related to long term installation contracts is recognised in line with the stage of completion of the contract and the associated legal terms. Associated costs relating to the project are recognised on the same basis of stage of completion.

4. REVENUE

The Group's turnover, all of which arises in the course of the Group's principal activities, arises in the UK. The principal activities for the year to 31 March 2019 are the supply of gas and electricity, gas shipping services and the installation and maintenance of green energy technology solutions:

	Year ended 31.3.19	Period 26.3.17 to 31.3.18
	£	£
Supply of gas and electricity	79,531,998	26,707,982
Installation and maintenance of green energy technology solutions	1,549,779	-
	81,081,777	26,707,982

5. EMPLOYEES AND DIRECTORS

	Year ended 31.3.19 £	Period 26.3.17 to 31.3.18 £
Wages and salaries	5,020,617	2,308,047
Social security costs	642,994	194,854
Other pension costs	80,667	12,346
	5,744,278	2,515,247

The average monthly number of employees during the year/period was as follows:

	Year ended 31.3.19	Period 26.3.17 to 31.3.18
Corporate	27	13
IT Development	19	3
Marketing	4	3
Member services	87	23
Product Development	7	2
	144	44

The average monthly number of employees employed by the Group during the year was 144 (period ended 31 March 2018 - 44).

The Company issued Share Options during the prior period to various employees.

Share options vest over a tranched three-year period and expire ten years from the date of grant. Vesting conditions are associated with continuous employment with the Group otherwise the options lapse unless employees are deemed good leavers by the Remuneration Committee. Share options are all settled in equity with a £nil exercise price.

	31.3.19	31.3.18
Number of options:		
Outstanding at the beginning of the year / period	120,900	-
Granted during the year / period	-	134,900
Forfeited during the year / period	10,400	-
Exercised during the year / period	4,667	14,000
Expired during the year / period	-	-
Outstanding at the end of the year / period	105,833	120,900
Exercisable at the end of the year / period	60,301	37,600

5. EMPLOYEES AND DIRECTORS - continued

A share-based payment charge has been recognised as a cost within the Consolidated Income Statement equal to the tranched vesting periods of the share options at their fair value. The cost of £274,076 (period ended 31 March 2018: £552,947) has been reflected as a cost in the Consolidated Income Statement within 'Wages and Salaries' (detailed above) and with a corresponding entry to the Share Premium reserve (see note 24).

The Group provides a defined contribution scheme for its employees. The amount recognised as an expense for the scheme in the Consolidated Income Statement was:

	Year ended 31.3.19 £	Period 26.3.17 to 31.3.18 £
Current year contributions	80,667	12,346

	Year ended 31.3.19 £	Period 26.03.17 to 31.3.18 £
Directors' remuneration	408,926	400,113
Directors' pension contributions to money purchase schemes	7,514	2,083

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	3	2

Information regarding the highest paid director is as follows:

	Year ended 31.3.19 £	Period 26.03.17 to 31.3.18 £
Emoluments etc	203,923	250,113
Pension contributions to money purchase schemes	2,625	833

The highest paid director did not exercise share options during the year.

6. OPERATING LOSS

The operating loss is stated after charging:

	Year ended 31.3.19 £	Period 26.3.17 to 31.3.18 £
Other operating leases	239,033	105,888
Depreciation - owned assets	172,164	31,612
Depreciation - assets on finance leases	46,514	-
Loss on disposal of fixed assets	10,200	-
Goodwill amortisation	56,067	4,018
Development costs amortisation	335,669	162,397
Computer software amortisation	40,443	7,895
Audit fees	70,000	30,000
Non-Audit fees to Auditor	11,000	8,000

Within the Group's audit fees disclosed above, £44,500 (2018: £21,000) relates to the audit of the subsidiary companies.

7. EXCEPTIONAL ITEMS

	Year ended 31.3.19 £	Period 26.3.17 to 31.3.18 £
Exceptional items	511,274	-

Exceptional costs were incurred during the year of £511,274 (period to 31 March 2018: £nil) in relation to the fundraise as described in the Strategic Report (see page 2).

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year ended 31.3.19	Period 26.3.17 to 31.3.18 as restated
	£	£
Bank interest	45,613	-
Interest charges on finance leases	6,216	-
Interest payable on Member credit balances	290,549	88,475
Interest charges on convertible loan notes	81,378	-
	423,756	88,475

9. TAX ON LOSS

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	Year ended 31.3.19	Period 26.3.17 to 31.3.18 as restated
	£	£
Current tax:		
UK corporation tax	(9,812)	(43,642)
Tax on loss	(9,812)	(43,642)

9. TAX ON LOSS - continued

Reconciliation of total tax credit included in profit and loss
The tax assessed for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK. The difference is explained below:

	Year ended 31.3.19	Period 26.3.17 to 31.3.18 as restated
	£	£
Loss before tax	(19,793,900)	(4,877,553)
Loss before tax multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(3,760,841)	(926,735)
Effects of:		
Expenses not deductible for tax purposes	141,052	867
Income not taxable for tax purposes	(56,246)	(31,791)
Utilisation of tax losses	-	4,789
Adjustments to tax charge in respect of previous periods	-	(12,623)
Tax rate changes	2,987	80,452
Derecognised tax asset	3,669,154	841,399
Effects of other reliefs	(12,799)	-
Depreciation of ineligible assets	6,881	-
Total tax credit	(9,812)	(43,642)

10. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. PRIOR YEAR ADJUSTMENT

The prior year comparative gross margin has been restated to reflect an overstatement of revenue due to previously under recognised dual fuel discounts and previously unrecognised costs relating to member ex gratia payments and interest on balances which are detailed as follows:

- Revenue has been restated from £27,602,741 to £26,707,982
- Administrative expenses have been restated from £5,609,966 to £5,619,286
- Interest payable has been restated from £nil to £88,475

The net impact on the opening Statement of Financial Position is a reduction in debtors of £992,554 from £6,788,129 to £5,795,575. Of this reduction, £973,022 relates to the prior period (2017: £19,532).

12. INTANGIBLE ASSETS

Group

	Goodwill £	Development costs £	Computer software £	Totals £
COST				
At 1 April 2018	40,181	617,418	90,953	748,552
Additions	780,740	845,172	58,810	1,684,722
Disposals	-	-	(13,600)	(13,600)
At 31 March 2019	820,921	1,462,590	136,163	2,419,674
ACCUMULATED AMORTISATION				
At 1 April 2018	6,362	196,689	7,895	210,946
Amortisation for year	56,067	335,669	40,443	432,179
Eliminated on disposal	-	-	(3,400)	(3,400)
At 31 March 2019	62,429	532,358	44,938	639,725
NET BOOK VALUE				
At 31 March 2019	758,492	930,232	91,225	1,779,949
At 31 March 2018	33,819	420,729	83,058	537,606

The goodwill addition in the year relates to the business combination detailed in note 31.

Company

	Development costs £
COST	
At 1 April 2018	581,707
Additions	163,792
Transfers	(745,499)
At 31 March 2019	-
ACCUMULATED AMORTISATION	
At 1 April 2018	160,978
Amortisation for year	256,303
Transfers	(417,281)
At 31 March 2019	-
NET BOOK VALUE	
At 31 March 2019	-
At 31 March 2018	420,729

As at the year end all Development costs were transferred to a Group company at book value.

13. PROPERTY, PLANT AND EQUIPMENT

Group

	Improvements to property	Plant and machinery	Fixtures and fittings
	£	£	£
COST			
At 1 April 2018	38,003	41,620	37,433
Additions	177,503	13,384	55,798
Acquisition of subsidiary	-	43,105	2,578
At 31 March 2019	215,506	98,109	95,809
ACCUMULATED DEPRECIATION			
At 1 April 2018	1,143	15,593	2,641
Charge for year	37,410	19,955	15,688
Acquisition of subsidiary	-	27,901	2,252
At 31 March 2019	38,553	63,449	20,581
NET BOOK VALUE			
At 31 March 2019	176,953	34,660	75,228
At 31 March 2018	36,860	26,027	34,792

	Motor vehicles	Computer equipment	Totals
	£	£	£
COST			
At 1 April 2018	-	120,176	237,232
Additions	91,154	11,300	349,139
Acquisition of subsidiary	184,846	202,051	432,580
At 31 March 2019	276,000	333,527	1,018,951
ACCUMULATED DEPRECIATION			
At 1 April 2018	-	25,650	45,027
Charge for year	46,514	99,111	218,678
Acquisition of subsidiary	40,967	9,676	80,796
At 31 March 2019	87,481	134,437	344,501
NET BOOK VALUE			
At 31 March 2019	188,519	199,090	674,450
At 31 March 2018	-	94,526	192,205

13. **PROPERTY, PLANT AND EQUIPMENT - continued**

Group

Fixed assets, included in the above, which are held under finance leases are as follows:

	Motor vehicles £
COST	
At 1 April 2018	-
Additions	91,154
Acquisition of subsidiary	184,846
At 31 March 2019	276,000
DEPRECIATION	
At 1 April 2018	-
Charge for year	46,514
Acquisition of subsidiary	40,967
At 31 March 2019	87,481
NET BOOK VALUE	
At 31 March 2019	188,519

Company

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2018	17,845	6,203	-	24,048
Additions	-	4,525	190,904	195,429
Transfers	161,774	(4,525)	(190,904)	(33,655)
At 31 March 2019	179,619	6,203	-	185,822
ACCUMULATED DEPRECIATION				
At 1 April 2018	893	1,814	-	2,707
Charge for year	3,571	1,963	37,176	42,710
Transfer	-	(722)	(37,176)	(37,898)
At 31 March 2019	4,464	3,055	-	7,519
NET BOOK VALUE				
At 31 March 2019	175,155	3,148	-	178,303
At 31 March 2018	16,952	4,389	-	21,341

During the year, improvements to property were transferred in from a Group company at book value.

As at the year end, all computer hardware was transferred to a Group company at book value.

14. INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 April 2018	30,000
Additions	652,500
At 31 March 2019	682,500
NET BOOK VALUE	
At 31 March 2019	682,500
At 31 March 2018	30,000

During the year, the Company acquired 100% of the share capital of Phoenix for £652,500. Further details of this acquisition have been provided in note 31.

Retig Ltd has investments in the following subsidiaries at the period end:

Name	Holding	Nature of business
Tonik Energy Limited	100%	Gas and Electricity supplier
Locus Energy Ltd	100%	Gas shipping services supplier
Phoenix Renewables Ltd	100%	Installer of green energy technology solutions

The registered address for both Tonik Energy Limited and Locus Energy Ltd is Fifth Floor, Lombard House, 145 Great Charles Street, Birmingham, B3 3LP.

The registered address for Phoenix Renewables Ltd is Unit 59-62, Springfield Commercial Centre, Bagley Lane, Farsley, Pudsey, West Yorkshire LS28 5LY.

15. INVENTORIES

	Group 31.3.19 £	Group 31.3.18 £
Inventories	215,248	47,830

16. DEBTORS

	Group		Company	
	31.3.19	31.3.18 as restated	31.3.19	31.3.18
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	9,644,078	3,839,680	-	-
Amounts owed by Group undertakings	-	-	11,914,419	3,114,970
Other debtors	980,877	170,196	72,188	72,188
Credit Cover	2,065,156	1,146,790	-	-
Tax	53,454	43,642	43,642	43,642
VAT	1,207,184	214,047	186,042	-
Prepayments and accrued income	251,484	104,686	160,872	17,715
	14,202,233	5,519,041	12,377,163	3,248,515
Amounts falling due after more than one year:				
Deferred tax asset	276,534	276,534	-	-
Aggregate amounts	14,478,767	5,795,575	12,377,163	3,248,515

Deferred tax asset

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Deferred tax	276,534	276,534	-	-

Amounts owed by Group undertakings are unsecured, repayable on demand and attract no interest.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.19	31.3.18 as restated	31.3.19	31.3.18
	£	£	£	£
Finance leases (see note 20)	50,061	-	-	-
Trade creditors	13,972,211	3,213,494	385,329	123,928
Amounts owed to Group undertakings	-	-	-	169,695
Other taxation and social security	25,586	3,274	-	3,274
VAT	-	-	-	100,315
Other creditors	594,430	54,199	222,247	49,394
Accruals and deferred income	17,364,892	6,825,114	180,368	294,806
	32,007,180	10,096,081	787,944	741,412

Amounts owed by Group undertakings are unsecured, repayable on demand and attract no interest.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.3.19	31.3.18 as restated	31.3.19	31.3.18 as restated
	£	£	£	£
Convertible Loan Notes (see note 19)	5,793,456	-	5,793,456	-
Other loans (see note 19)	41,517	-	-	-
Finance leases (see note 20)	119,780	-	-	-
	5,954,753	-	5,793,456	-

19. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.19	31.3.18	31.3.19	31.3.18
	£	£	£	£
Amounts falling due between one and two years:				
Other loans - 1-2 years	41,517	-	-	-
Amounts falling due between two and five years:				
Convertible Loan Notes	5,793,456	-	5,793,456	-

20. LEASING AGREEMENTS

Minimum payments under lease arrangements fall due as follows:

Finance Leases:
Group

	31.3.19	31.3.18
	£	£
Within one year	50,061	-
Between one and five years	119,780	-
In more than five years	-	-
	169,841	-

Operating Leases:
Group

	31.3.19	31.3.18
	£	£
Within one year	228,656	196,812
Between one and five years	867,917	787,788
In more than five years	804,719	930,679
	1,901,292	1,915,279

In December 2017, Tonik entered into new ten-year lease agreements for three new office areas to allow for the growing number of employees in line with the growth of the Group and the Company.

21. FINANCIAL INSTRUMENTS

The Group has the following financial instruments:

	Note	31.3.19 £	31.3.18 as restated £
Financial assets that are debt instruments measured at amortised cost:			
Trade debtors	16	9,644,078	3,839,680
Credit Cover	16	2,065,156	1,146,790
Other debtors	16	2,492,999	532,571
		14,202,233	5,519,041
Financial liabilities measured at amortised cost:			
Trade creditors	17	13,972,211	3,213,494
Accruals and deferred income	17	17,364,892	6,825,114
Other creditors	17,18	6,624,830	57,473
		37,961,933	10,096,081

22. DEFERRED TAX

Group

	£
Balance at 1 April 2018	276,534
Balance at 31 March 2019	276,534

Deferred tax assets will be utilised when the Group is profitable.

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.19 £	31.3.18 £
1,986,126 (2018: 1,421,718)	Ordinary	£0.001	1,986	1,422

564,408 Ordinary shares of £0.001 each were allotted as fully paid at a premium of £13.95 per share during the year.

24. RESERVES

Group

	Accumulated losses £	Share premium £	Merger reserve £	Totals £
At 1 April 2018	(5,008,392)	3,991,466	-	(1,016,926)
Prior year adjustment	(992,554)	-	-	(992,554)
	(6,000,946)	3,991,446	-	(2,009,480)
Deficit for the year	(19,784,088)	-	-	(19,784,088)
Cash share issue	-	7,870,409	-	7,870,409
Share based payment reserve	-	274,076	-	274,076
Share for share exchange	-	-	652,450	652,450
At 31 March 2019	(25,785,034)	12,135,951	652,450	(12,996,633)

Company

	Retained earnings/ (Accumulated losses) £	Share premium £	Merger reserve £	Totals £
At 1 April 2018	56,341	3,991,466	-	4,047,807
Deficit for the year	(288,635)	-	-	(288,635)
Cash share issue	-	7,870,409	-	7,870,409
Share based payment reserve	-	274,076	-	274,076
Share for share exchange	-	-	652,450	652,450
At 31 March 2019	(232,294)	12,135,951	652,450	12,556,107

Merger relief has been applied due to shares being issued in the Company in exchange 100% of the share capital of Phoenix Renewables Ltd and the fair value of the consideration has been credited to the merger reserve.

25. CAPITAL AND OTHER COMMITMENTS

Other than the lease arrangements detailed in note 20, the Group had no capital or other commitments at 31 March 2019 (period ended 31 March 2018: £nil).

26. RELATED PARTY DISCLOSURES

During the year the Company provided Group strategy and asset services to Tonik totalling £1,589,013 (period ended 31 March 2018: £1,185,001) and to Locus totalling £15,000 (period ended 31 March 2018: £12,000). Locus provided Gas shipping services to Tonik totalling £132,000 (period ended 31 March 2018: £96,000).

During the year, Don Leiper Consulting Limited provided services to the Group totalling £15,663 (period ended 31 March 2018: £3,358). One of the Company's Directors is also a Director of Don Leiper Consulting Limited.

During the year, Poppins Consultancy provided services to the Group totalling £17,780 (period ended 31 March 2018: £31,625). Poppins Consultancy is a connected party to a Company Director.

27. POST BALANCE SHEET EVENTS

In December 2019, the Company completed a funding round of £11m received from Mitsui. This has provided the Group with the resources required to support the delivery of the business plan.

28. ULTIMATE CONTROLLING PARTY

As at the year end, the Company is owned by a number of private shareholders, none of whom individually has a controlling interest in the issued share capital of the Company, therefore there was no ultimate controlling party. Following the introduction of further investment from shareholders, the structure remains that there is no controlling party at the date of this report.

29. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.3.19 £	Period 26.3.17 to 31.3.18 as restated £
Loss before taxation	(19,793,900)	(4,877,553)
Depreciation and amortisation charges	650,857	205,922
Loss on disposal of fixed assets	10,200	-
Share based payment charge	274,076	552,947
Finance costs	423,756	88,475
Finance income	(148)	(144)
	(18,435,159)	(4,030,353)
Decrease/(increase) in inventories	173,713	(47,830)
Increase in trade and other debtors	(8,427,356)	(5,103,439)
Increase in trade and other creditors	26,862,909	9,387,719
Cash generated from operations	174,107	206,097

30. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Consolidated Statement of Financial Position amounts:

Year ended 31 March 2019

	31.3.19	1.4.18
	£	£
Cash and cash equivalents	7,818,872	1,514,807

Period ended 31 March 2018

	31.3.18	26.3.17
	£	£
Cash and cash equivalents	1,514,807	610,643

31. BUSINESS COMBINATIONS

On 3 August 2018, the Company acquired 100% of the share capital of Phoenix for a total consideration of £652,500. The fair value of this consideration has been reflected in the merger reserve having applied merger relief.

The transaction was a share for share exchange in which the Phoenix shareholders collectively received 50,000 ordinary shares in the Company in exchange for all of the ordinary shares in Phoenix.

The long-term strategic benefits of this acquisition have been detailed in the Group Strategic Report on page 2.

The only cash flow recognised in the Group as part of this transaction was the acquisition of Phoenix's cash balance of £157,443.

Following are the recognised amounts of identifiable assets acquired and liabilities assumed on acquisition:

	Book values	Adjustments	Fair Value
	£	£	£
Property, plant and equipment	161,033	-	161,033
Cash	157,443	-	157,443
Inventories	188,200	152,931	341,131
Trade and other receivables	246,024	-	246,024
Trade and other payables	(359,123)	-	(359,123)
Borrowings	(315,116)	-	(315,116)
Deferred income	-	(359,632)	(359,632)
Total identifiable net assets/(liabilities)	78,461	(206,701)	(128,240)
Goodwill			780,740
Total			**652,500**

Goodwill is being amortised over the estimated useful life of 10 years.

The revenue from Phoenix included in the Consolidated Income Statement for year ended 31 March 2019 was £1,549,779. Phoenix also contributed a net loss before tax of £699,854 over the same period.