

Company registration number 10625256 (England and Wales)

**SOCIAL ENERGY LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2021**  
**PAGES FOR FILING WITH REGISTRAR**

**SOCIAL ENERGY LIMITED**

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# SOCIAL ENERGY LIMITED

## BALANCE SHEET

AS AT 31 OCTOBER 2021

		2021		2020	
	Notes	£	£	as restated	£
<b>Fixed assets</b>					
Intangible assets	3		3		3
Tangible assets	4		29,678		31,872
Investments	5		296,300		396,300
			<u>325,981</u>		<u>428,175</u>
<b>Current assets</b>					
Stocks		-		63,336	
Debtors	7	2,023,875		1,807,943	
Cash at bank and in hand		131,993		54,335	
			<u>2,155,868</u>	<u>1,925,614</u>	
<b>Creditors: amounts falling due within one year</b>	8	(5,414,235)		(3,573,162)	
<b>Net current liabilities</b>			<u>(3,258,367)</u>		<u>(1,647,548)</u>
<b>Net liabilities</b>			<u>(2,932,386)</u>		<u>(1,219,373)</u>
<b>Capital and reserves</b>					
Called up share capital	9		1		1
Profit and loss reserves			<u>(2,932,387)</u>		<u>(1,219,374)</u>
<b>Total equity</b>			<u>(2,932,386)</u>		<u>(1,219,373)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

## **SOCIAL ENERGY LIMITED**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 OCTOBER 2021***

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The financial statements were approved by the board of directors and authorised for issue on 27 October 2022 and are signed on its behalf by:

Mr S R Day  
**Director**

**Company Registration No. 10625256**

# **SOCIAL ENERGY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2021**

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### **1 Accounting policies**

#### **Company information**

Social Energy Limited is a private company limited by shares incorporated in England and Wales. The registered office is St Pegs Mill, Thornhill Beck Lane, Brighouse, Yorkshire, HD6 4AH.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### **1.2 Going concern**

The company's parent company, SE Group Limited, appointed administrators on 30 August 2022 following a reduction in sales in the rest of the Group as a result of the Covid-19 pandemic, and the administration of its subsidiary company in Australia, Social Energy Australia Pty Ltd. The company has historically relied on its parent company for both financial and non-financial support.

The directors have considered the impact of the insolvency of its parent company and taken mitigating actions to reduce operating costs and to secure access to a working capital facility sufficient to meet the company's cash requirements while financial advisors have been appointed to undertake a sale of the business to a strategic buyer.

In assessing the principal risks and uncertainties facing the company after mitigating actions, even though the indicators of a sale are positive, the directors have concluded that material uncertainties remain about the going concern assumption, because:

1. the final outcome of sale process is not yet known; and
2. the continued access to working capital is uncertain.

However, the directors consider that a sale is, at this moment in time, the likely outcome with non-binding indicative offers having been received from multiple credible potential buyers giving confidence that the process will be successfully concluded. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements

#### **1.3 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.

#### **1.4 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.

# SOCIAL ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 1 Accounting policies

(Continued)

#### 1.5 Intellectual Property

Acquired intellectual property is stated at cost less accumulated amortisation and accumulated impairment losses.

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:

Intellectual property	Not amortised
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#### 1.6 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:

Plant and equipment	25% reducing balance
Fixtures and fittings	15% reducing balance
Computers	33% reducing balance

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

#### 1.7 Fixed asset investments

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

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

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 company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

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

#### 1.8 Impairment of fixed assets

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

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

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.

# SOCIAL ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

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### 1 Accounting policies

(Continued)

#### 1.10 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

#### 1.11 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

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

##### **Other financial assets**

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

##### **Classification of financial liabilities**

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

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, loans from fellow group companies 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.

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

#### 1.13 Retirement benefits

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

# SOCIAL ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 1 Accounting policies

(Continued)

#### 1.14 Government grants

Grants received in relation to the government's Coronavirus Job Retention Scheme have been recognised within other operating income. The grant is accounted for on the accruals basis once the related payroll return has been submitted.

### 2 Employees

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

	2021 Number	2020 Number
Total	4	5

### 3 Intangible fixed assets

Intellectual  
property  
£

#### Cost

At 1 November 2020 and 31 October 2021

3

#### Amortisation and impairment

At 1 November 2020 and 31 October 2021

-

#### Carrying amount

At 31 October 2021

3

At 31 October 2020

3

# **SOCIAL ENERGY LIMITED**

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

**FOR THE YEAR ENDED 31 OCTOBER 2021**

### **4 Tangible fixed assets**

	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>				
At 1 November 2020	21,206	2,746	21,272	45,224
Additions	-	-	8,677	8,677
	<u>21,206</u>	<u>2,746</u>	<u>29,949</u>	<u>53,901</u>
At 31 October 2021	21,206	2,746	29,949	53,901
<b>Depreciation and impairment</b>				
At 1 November 2020	9,775	499	3,078	13,352
Depreciation charged in the year	2,858	337	7,676	10,871
	<u>12,633</u>	<u>836</u>	<u>10,754</u>	<u>24,223</u>
At 31 October 2021	12,633	836	10,754	24,223
<b>Carrying amount</b>				
At 31 October 2021	<u>8,573</u>	<u>1,910</u>	<u>19,195</u>	<u>29,678</u>
At 31 October 2020	<u>11,431</u>	<u>2,247</u>	<u>18,194</u>	<u>31,872</u>

### **5 Fixed asset investments**

	2021 £	2020 £
Shares in group undertakings and participating interests	<u>296,300</u>	<u>396,300</u>

#### **Movements in fixed asset investments**

	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 November 2020 & 31 October 2021	<u>396,300</u>
<b>Impairment</b>	
At 1 November 2020	-
Impairment losses	<u>100,000</u>
At 31 October 2021	<u>100,000</u>
<b>Carrying amount</b>	
At 31 October 2021	<u>296,300</u>
At 31 October 2020	<u>396,300</u>

# SOCIAL ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 6 Subsidiaries

Details of the company's subsidiaries at 31 October 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
**Social Energy Supply Limited	St Pegs Mill, Thornhill Beck Lane, Brighouse, HD6 4AH	Ordinary	100.00
Levelise Ltd	C/o Sharp Laboratories of Europe Ltd, Edmund Halley Road, Oxford, OX4 OGB	Ordinary	90.00

\*\* in administration

### 7 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	18,784	82,352
Amounts owed by group undertakings	2,005,090	1,725,590
Other debtors	1	1
	<u>2,023,875</u>	<u>1,807,943</u>

### 8 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	62,913	8,214
Amounts owed to group undertakings	5,307,737	3,377,487
Taxation and social security	40,335	184,521
Other creditors	3,250	2,940
	<u>5,414,235</u>	<u>3,573,162</u>

### 9 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of 1p each	100	100	1	1
	<u>100</u>	<u>100</u>	<u>1</u>	<u>1</u>

### 10 Events after the reporting date

On 30 August 2022 the parent company SE Group Limited went into administration.

# SOCIAL ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 11 Related party transactions

The company has taken advantage of the exemption available in FRS 102 paragraph 33.1A whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary of the group.

During the year the company paid £352,249 (2020: £398,680 restated) to Levelise Ltd a 90% subsidiary, in respect of research and development costs. At the year end £2,005,090 (2020: £1,090,590) was owed to Social Energy Limited and is included in amounts due from group.

### 12 Parent company

SE Group Limited, a company incorporated in Great Britain and registered in England and Wales is the parent company.

### 13 Prior period adjustment

#### Changes to the balance sheet

	As previously reported £	Adjustment at 1 Nov 2019 £	Adjustment at 31 Oct 2020 £	As restated at 31 Oct 2020 £
<b>Current assets</b>				
Debtors due within one year	882,353	374,270	551,320	1,807,943
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Capital and reserves</b>				
Profit and loss reserves	(2,144,964)	374,270	551,320	(1,219,374)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### Changes to the profit and loss account

	As previously reported £	Adjustment £	As restated £
<b>Period ended 31 October 2020</b>			
Administrative expenses	(1,454,298)	551,320	(902,978)
Loss for the financial period	(579,444)	551,320	(28,124)
	<u>          </u>	<u>          </u>	<u>          </u>

#### Reconciliation of changes in equity

	1 November 2019 £	31 October 2020 £
<b>Adjustments to prior year</b>		
Correction to Levelise charges	374,270	551,320
Equity as previously reported	(1,565,519)	(1,770,693)
	<u>          </u>	<u>          </u>
Equity as adjusted	(1,191,249)	(1,219,373)
	<u>          </u>	<u>          </u>
<b>Analysis of the effect upon equity</b>		
Profit and loss reserves	374,270	551,320
	<u>          </u>	<u>          </u>

## SOCIAL ENERGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

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#### 13 Prior period adjustment (Continued)

##### Reconciliation of changes in loss for the previous financial period

	2020 £
<b>Adjustments to prior year</b>	
Correction to Levelise charges	551,320
Loss as previously reported	(579,444)
	<hr/>
Loss as adjusted	(28,124)
	<hr/>

##### Notes to reconciliation

###### Levelise charges

As part of the acquisition of shares in Levelise in October 2018, an inter-company services agreed was signed between Levelise and Social Energy Limited. This allowed Levelise to charge both an upfront amount and annual royalty on each unit sold by Social Energy which incorporated the Levelise intellectual property. These charges were initially levied on the basis of estimated volumes, but have now been adjusted following a joint reconciliation of the actual number of units sold and still in operation.

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