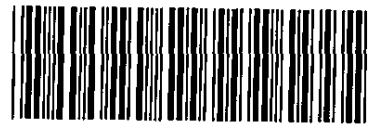


BUDGET ENERGY LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2012

WEDNESDAY



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27/03/2013

#170

COMPANIES HOUSE

REGISTRATION NUMBER NI073739

Budget Energy Limited

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Budget Energy Limited

Chairman's report for the year ended 30 June 2012

The enclosed accounts are for the 11 month trading period from July 2011 to 30th June 2012.

The attached accounts clearly demonstrate that Budget Energy's Business Model is working well. When compared to projections (see below), forecasted losses have reduced from £330,246 to £105,306 within the first year. The company has been making profits on a month by month basis since December 2011, and the first quarter of 2012 has continued with increased profits and customer growth.

At the end of August 2012, Budget Energy's customer base reached approximately 18,000 customers. Since June 2012 and the implementation of the Enduring Solution, Budget Energy has switched approximately 2,000 happy customers each month.

The success of the past year has been down to having a professional team of people who have adopted the management principles of the Directors.

The Directors and shareholders of Budget Energy entered into the Energy Market in Northern Ireland to offer genuine competition with price and quality customer service.

Budget Energy is now purchasing energy from seven generators who generate their electricity from Anaerobic Digesters and Wind Farms, with more coming on stream before the end of the year.

Budget Energy is also working exclusively with 'Action Renewables' who advise and assist Generators of green power in order to get the maximum return from their investments.

Budget Energy will continue to be competitive in the market place by keeping internal costs low and by providing a quality service to the consumer.

PROFIT & LOSS ACCOUNT AT 30 JUNE 2012 COMPARED TO PROJECTIONS

| | Actual | Projections | Variance |
|------------------------------|-------------|-------------|-------------|
| Customer Numbers | 13,768 | 6,286 | 7,482 |
| Sales | 4,472,440 | 2,206,894 | 2,265,546 |
| Cost of Sales | (3,796,850) | (1,851,102) | (1,945,748) |
| Gross Profit | 675,590 | 355,792 | 319,798 |
| Gross Profit Margin | 15% | 16% | |
| Overheads | (780,896) | (690,127) | (90,769) |
| Loss before interest and tax | (105,306) | (334,335) | (229,029) |

Notes:

1. Both accounts have the same trading period of 11 months.
2. Start up costs are included in both actual and budget figures.
3. Customers numbers at the end of September 2012 are 20,000.



George McEvoy
Chairman

Date: 12 September 2012

**Independent auditors' report to Budget Energy Limited
under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 3 to 6 together with the financial statements of Budget Energy Limited for the year ended 30 June 2012 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

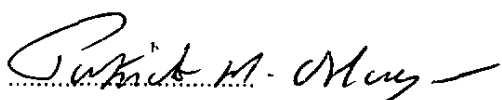
The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with those provisions.



Patrick Martin O'Hagan (senior statutory auditor)

For and on behalf of PFS & Partners Limited (Statutory Auditor)

Chartered Certified Accountants and

Registered Auditors

7 New Steet

Dungiven

Co Derry

BT47 4LL

Date: 12 September 2012

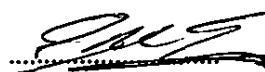
Budget Energy Limited


Abbreviated balance sheet as at 30 June 2012

| | Notes | 2012 £ | 2011 £ |
|---|-------|------------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 3 | 190,852 | 98,248 |
| Current assets | | | |
| Debtors | | 311,566 | 21,209 |
| Cash at bank and in hand | | 400,294 | - |
| | | <u>711,860</u> | <u>21,209</u> |
| Creditors: amounts falling due within one year | | <u>(523,949)</u> | <u>(58,476)</u> |
| Net current assets/(liabilities) | | <u>187,911</u> | <u>(37,267)</u> |
| Total assets less current liabilities | | 378,763 | 60,981 |
| Provisions for liabilities | | <u>(28,430)</u> | - |
| Total assets less current liabilities | | <u>350,333</u> | <u>60,981</u> |
| Long Term Loans | 4 | 483,842 | 142,658 |
| Shareholders' funds | | | |
| Called up share capital | 5 | 100 | 100 |
| Profit and loss account | | <u>(133,609)</u> | <u>(81,777)</u> |
| | | <u>(133,509)</u> | <u>(81,677)</u> |
| | | <u>350,333</u> | <u>60,981</u> |

These abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies.

The abbreviated accounts were approved by the Board on 12 September 2012 and signed on its behalf by


George McEvoy
Chairman
Director


Eleanor McEvoy
Managing Director

Registration number NI073739

The notes on pages 4 to 6 form an integral part of these financial statements.

Budget Energy Limited

Notes to the abbreviated financial statements for the year ended 30 June 2012

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

| | | |
|-------------------------------------|---|----------------------|
| IT equipment | - | 33.33% straight line |
| Fixtures, fittings and equipment | - | 20% straight line |
| Motor vehicles | - | 25% reducing balance |
| IT infrastructure | - | 5% straight line |

1.4. Leasing

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

1.5. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes.

2. Auditors' remuneration

| | 2012 | 2011 |
|--|--------------|-------------|
| | £ | £ |
| Auditors' remuneration - audit of the financial statements | <u>8,000</u> | <u>-</u> |

Budget Energy Limited

Notes to the abbreviated financial statements for the year ended 30 June 2012

..... continued

| | | Tangible fixed assets £ |
|------------------------|--|--|
| 3. Fixed assets | | |
| Cost | | |
| At 1 July 2011 | | 103,118 |
| Additions | | 118,167 |
| At 30 June 2012 | | <u>221,285</u> |
| Depreciation | | |
| At 1 July 2011 | | 4,870 |
| Charge for year | | 25,563 |
| At 30 June 2012 | | <u>30,433</u> |
| Net book values | | |
| At 30 June 2012 | | <u>190,852</u> |
| At 30 June 2011 | | <u>98,248</u> |

| | | |
|--|-------------|-------------|
| 4. Creditors: amounts falling due | 2012 | 2011 |
| | £ | £ |

Creditors include the following:

| | | |
|-------------------|----------------|----------------|
| Shareholders Loan | <u>483,842</u> | <u>142,658</u> |
|-------------------|----------------|----------------|

The shareholders loan is unsecured, there is no fixed terms of repayment and the shareholders have undertaken not to seek repayment of this loan in the foreseeable future.

| | | |
|---|---------------|---------------|
| 5. Share capital | 2012 | 2011 |
| | £ | £ |
| Authorised | | |
| 10,000 Ordinary shares of £1 each | <u>10,000</u> | <u>10,000</u> |
| Allotted, called up and fully paid | | |
| 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> |
| Equity Shares | | |
| 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> |

Budget Energy Limited

**Notes to the abbreviated financial statements
for the year ended 30 June 2012**

..... continued

6. Letters of Credit

As at the 30th June 2012 the company has provided Letters of Credit to secure liabilities, which are supported by directors guarantee, with terms to the following suppliers:

- > Single Electricity Market Operator for £410,000;
- > Northern Ireland Electricity Transition and Distribution for £250,000;
- > Northern Ireland Electricity Transition and Distribution PSO for £6,000.
- > Systems Operator Northern Ireland for £18,200

7. Commissions

Commissions to the Sales Team and Self-employed sales agents will rise and fall on a monthly basis depending on performance.

8. Commencement of Trading

The company commenced the supply of electricity on the 25th July 2011, having received its 25 year electricity supply license on the 21st December 2010. These Accounts for the Year ended 30 June 2012 duly reflect only the first eleven months of trading for the company