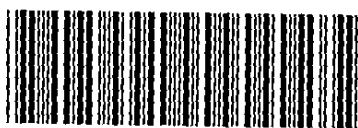


Budget Energy Limited

Abbreviated accounts for the year ended 30 June 2013

NI073739

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29 MAY 2014

BELFAST

ABBREVIATED ACCOUNTS
for the year ended 30 June 2013

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COMPANY INFORMATION

DIRECTORS

George McEvoy – Chairman
Eleanor McEvoy – Chief Executive Officer
Damian Wilson – Operations Director
John Hasson (Non-Executive)
Tracy Hegarty (Non-Executive)

COMPANY SECRETARY

Eleanor McEvoy

REGISTERED OFFICE

Energy House
30-32 Ballinska Road
Springtown Industrial Estate
Derry/Londonderry
BT48 0LY

COMPANY REGISTRATION NUMBER

NI073739

SOLICITORS

Hasson & Company
39/41 Clarendon Street
Derry/Londonderry
BT48 7ER

BANKERS

Ulster Bank Limited
Da Vinci Complex
Culmore Road
Derry/Londonderry
BT48 8JB

Danske Bank
Belfast Finance Centre
PO Box 183
Donegal Square East
Belfast
BT1 6JS

AUDITORS

Ernst & Young LLP
16 Bedford Street
Belfast
BT2 7DT

CHAIRMAN'S STATEMENT

for the year ended 30 June 2013

I present my report for Budget Energy Limited ("the company") for the year ended 30 June 2013. This is the company's second full-year of trading and I am satisfied with the company's progress to date.

The directors have continued to implement their strategy of providing low-cost electricity predominantly to the domestic consumer in the Northern Ireland market. The company adopts a simple and transparent pricing policy which enables customers to make an informed decision when choosing their electricity supplier. In addition, our focus on superior customer service distinguishes the company from other suppliers.

The company is able to keep its price lower than its competitors through careful cost control. This is not always easy but the directors are determined to provide genuine competition for the benefit of the consumer.

The result for the year has been adversely impacted by the events of March 2013 when the wholesale electricity price increased by 28% as a result of un-seasonally cold weather, a 26% increase in the natural gas price and maintenance of the inter-connector between Ireland and the United Kingdom which restricted supply. These events are outside of the control of energy suppliers and demonstrate the importance of maintaining a robust balance sheet.

Comparison of the result for the year ended 30 June 2013 with the forecast

I am pleased to report that both customer numbers and turnover for the year have exceeded our forecast as set out below.

	<i>Actual</i>	<i>Forecast</i>	<i>Variance</i>
Customer numbers	27,153	14,857	+ 12,296
Turnover	£13.2m	£7.4m	+ £5.8m

Customer growth was strong throughout the year ended 30 June 2013 with a 97% increase. This growth has continued into the year ending 30 June 2014 and, as of March 2014, our customer numbers have increased to over 54,000 which demonstrates the confidence that the Northern Ireland consumer has in our product offering.

The company continues to work with Action Renewables, an independent consultancy, which advises generators on maximising their return from investments in green power. We now purchase energy from 40 independent generators via SEM, a combination of winds farms and anaerobic digesters, as the company seeks to further enhance its green credentials. An exemption from the Climate Change Levy was granted at the end of 2013.

Ahead of the schedule set-out in our business plan, the company is has generated profits in FY2014 on a sustained basis and I anticipate another successful year ahead.

Finally, I would like to take this opportunity to thank all of our staff members for their commitment and loyalty.

George McEvoy
Chairman

INDEPENDENT AUDITOR'S REPORT TO BUDGET ENERGY LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the company's abbreviated accounts which comprise the Balance Sheet and the related notes 1 to 10 together with the financial statements of Budget Energy Limited for the year ended 30 June 2013 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Section 449 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

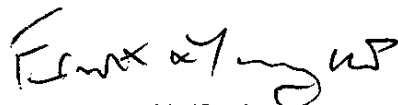
Respective responsibilities of directors and auditors

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 prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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 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 the regulation made under that section.



David Galbraith (Senior statutory auditor)
for and behalf of Ernst & Young LLP, Statutory Auditor


Belfast

Date: 28 May 2014

BALANCE SHEET
at 30 June 2013

		2013	2012
			(as restated)
ASSETS	Note	£	£
FIXED ASSETS			
Tangible assets	3	185,278	213,769
		<u> </u>	<u> </u>
CURRENT ASSETS			
Debtors		487,966	311,566
Cash at bank and in hand		776,716	400,294
		<u> </u>	<u> </u>
		1,264,681	711,860
		<u> </u>	<u> </u>
TOTAL ASSETS		1,449,959	925,629
		<u> </u>	<u> </u>
LIABILITIES			
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Profit and loss account	5	(687,258)	(133,609)
		<u> </u>	<u> </u>
Total equity – shareholders' deficit	6	(687,158)	(133,509)
		<u> </u>	<u> </u>
PROVISIONS FOR LIABILITIES		-	28,430
CREDITORS		2,137,117	1,030,708
		<u> </u>	<u> </u>
Total liabilities		2,137,117	1,059,138
		<u> </u>	<u> </u>
TOTAL LIABILITIES AND EQUITY		1,449,959	925,629
		<u> </u>	<u> </u>

The abbreviated accounts, which have been prepared in accordance with the special provisions related to companies subject to the small companies regime within Part 15 of the Companies Act 2006 were approved and authorised for issue by the board and were signed on its behalf on

 22.05.14
George McEvoy
Chairman

 22.05.14
Eleanor McEvoy
Chief Executive Officer

Registration number NI073739

NOTES TO THE ABBREVIATED ACCOUNTS

30 June 2013

1. ACCOUNTING POLICIES

(a) *Accounting convention and basis of preparation*

The full financial statements, from which the abbreviated accounts have been extracted, are prepared under the historical cost convention and in accordance with generally accepted accounting practice in the United Kingdom in accordance with the Companies Act 2006.

The full financial statements, from which the abbreviated accounts have been extracted, are prepared on the going concern basis as the company has achieved strong profitability post year end, returning to a net assets position at the date of approval of the full financial statements. Furthermore, the company obtained banking facilities of £4,000,000 in March 2014 which provides adequate funding to support the anticipated growth for the foreseeable future.

(b) *Revenue recognition*

Revenue is recognised based on the usage of electricity by the company's customers.

(c) *Tangible fixed assets and depreciation*

Tangible fixed assets are stated at cost less accumulated depreciation and provisions for impairment. The cost of an asset is made up of the purchase price of the asset plus any costs directly attributable to bringing the asset into working condition for its intended use.

The costs of internally developed computer software for resale and own use are capitalised where the directors are satisfied as to the technical, commercial and financial viability of the product. Such capital software costs are amortised over the products' estimated useful economic life, which is typically three to five years.

Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives as follows:

IT Equipment	33.3% straight line
Fixtures, fittings and equipment	20% straight line
Motor vehicles	25% reducing balance
IT infrastructure	14% straight line

(d) *Impairment of fixed assets*

The carrying value of tangible fixed assets is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment is assessed by comparing the carrying value of an asset with its recoverable amount (being the higher of net realisable value and value in use). Net realisable value is defined as the amount at which an asset could be disposed of net of any direct selling costs. Value in use is defined as the present value of the future cash flows obtainable through continued use of an asset including those anticipated to be realised on its eventual disposal.

NOTES TO THE ABBREVIATED ACCOUNTS

30 June 2013 (Continued)

1. ACCOUNTING POLICIES (Continued)

(e) *Deferred taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more or a right to pay less tax in the future. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse.

(f) *Leased assets*

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the company are capitalised. The capital element of the related rental obligations is included in creditors. Leasing charges under finance leases are charged to the profit and loss account in the period incurred as estimated using the sum of digits method.

Rentals in respect of all other leases are charged to the profit and loss account as incurred.

(h) *Research and Development*

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

(i) *Interest-bearing loans and borrowings*

All interest-bearing loans and borrowings are initially recognised at net proceeds. After initial recognition debt is increased by the finance cost in respect of the reporting period and reduced by payments made in respect of the debts of the period.

Finance costs of debt are allocated over the term of the debt at a constant rate on the carrying amount.

(j) *Cash flow statement*

Financial Reporting Standard Number 1 (Revised 1996), "Cash Flow Statements", exempts undertakings which qualify as small undertakings under company legislation from the requirement to present a cash flow statement. The company has availed of this exemption.

2. TURNOVER

Turnover, all of which arises from continuing operations, represents amounts charged by the company in respect of the supply of electricity, excluding value added tax, in Northern Ireland.

BUDGET ENERGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
30 June 2013 (Continued)

3. TANGIBLE FIXED ASSETS

	<i>IT Equipment</i> £	<i>Fixtures & Fittings</i> £	<i>Motor Vehicles</i> £	<i>IT Infrastructure</i> £	<i>Total</i> £
<i>Cost</i>					
At 1 July 2012 (as previously stated)	53,820	11,367	18,374	137,724	221,285
Prior year adjustment (note 18)	—	—	—	25,000	25,000
At 1 July 2012 (as restated)	53,820	11,367	18,374	162,724	246,285
Additions during year	8,017	7,087	—	16,000	31,104
At 30 June 2013	61,837	18,454	18,374	178,724	277,389
<i>Depreciation</i>					
At 1 July 2012 (as previously stated)	18,636	1,875	4,976	4,946	30,433
Prior year adjustment (note 18)	—	—	—	2,083	2,083
At 1 July 2012 (as restated)	18,636	1,875	4,976	7,029	32,516
Charged in year	19,786	3,142	3,349	33,318	59,595
At 30 June 2013	38,422	5,017	8,325	40,347	92,111
<i>Net book amounts</i>					
At 30 June 2013	23,415	13,437	10,049	138,377	185,278
At 30 June 2012 (as restated)	35,184	9,492	13,398	155,695	213,769

NOTES TO THE ABBREVIATED ACCOUNTS
30 June 2013 (Continued)

4.	CALLED UP SHARE CAPITAL	2013	2012
		£	£
	<i>Authorised:</i>		
	10,000 Ordinary shares of £1 each	10,000	10,000
		<u> </u>	<u> </u>
	<i>Allotted, called up and fully paid:</i>		
	100 Ordinary shares of £1 each	100	100
		<u> </u>	<u> </u>
	<i>Equity shares:</i>		
	100 Ordinary shares of £1 each	100	100
		<u> </u>	<u> </u>
5.	PROFIT AND LOSS ACCOUNT	2013	2012
		£	£
	At 1 July 2012	(133,609)	(81,777)
	Loss for the financial year	(553,649)	(51,832)
		<u> </u>	<u> </u>
	At 30 June 2013	(687,258)	(133,609)
		<u> </u>	<u> </u>
6.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2013	2012
		£	£
	At 1 July 2012	(133,509)	(81,677)
	Loss for the financial year	(553,649)	(51,832)
		<u> </u>	<u> </u>
	At 30 June 2013	(687,158)	(133,509)
		<u> </u>	<u> </u>

7. RELATED PARTY TRANSACTIONS

The shareholders have provided a personal guarantee to certain banks as security in respect of overdraft and demand loan facilities provided to the company as well as letters of credit issued by the banks on behalf of the company. The shareholders charged the company £47,000 in respect of the provision of these guarantees during the year. This balance was settled pre year end.

The company provided a cash advance of £10,000 to Mr. Damian Wilson, a company director, during the year. This balance remained outstanding at the year end.

NOTES TO THE ABBREVIATED ACCOUNTS

30 June 2013 (Continued)

8. CONTROLLING INTEREST

The controlling interest is held by Mr. George McEvoy, Chairman, and Mrs. Eleanor McEvoy, Chief Executive Officer, who together own the entire issued share capital.

9. PRIOR YEAR ADJUSTMENT

Deferred capital grant funding of £22,917 has been reclassified from tangible fixed assets to creditors: amounts falling due after more than one year, in the prior year comparatives for consistency with current year presentation.

10. APPROVAL OF FINANCIAL STATEMENTS

The directors approved the full financial statements, from which the abbreviated accounts have been extracted, and authorised them for issue on 9 May 2014.