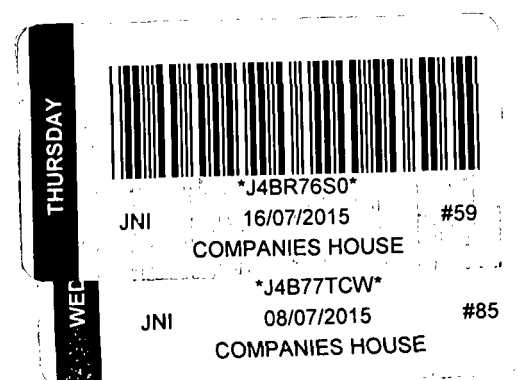
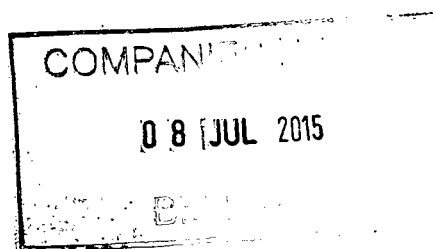


Budget Energy Limited

Directors' report and financial statements for the year
ended 30 June 2014



DIRECTORS' REPORT AND FINANCIAL STATEMENTS
for the year ended 30 June 2014

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BUDGET ENERGY LIMITED

COMPANY INFORMATION

DIRECTORS	George McEvoy – Chairman Eleanor McEvoy – Chief Executive Officer Damian Wilson – Operations Director (resigned 19 August 2014) 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 Bank of Ireland 15 Strand Rd Derry BT48 7BT
AUDITORS	Ernst & Young Ernst & Young Building Harcourt Centre Harcourt Street Dublin 2 Ireland

STRATEGIC REPORT
for the year ended 30 June 2014

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The Board presents our Strategic report for Budget Energy Limited ("the company") for the year ended 30 June 2014. This is the company's third full-year of trading and we are 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.

	2014 £'000	2013 £'000
Turnover	30,037	13,195
EBITDAM	1,336	(1,068)
EBITDA	998	(1,159)
Gross Profit/(loss)	3,729	(155)
Earnings before Tax	627	(1,255)
Customer Numbers	58,463	27,153

Turnover more than doubled in the year driven by very strong growth in customer numbers demonstrating the impact of our value proposition to our Northern Ireland customer base. Gross profit came in at 12%, with a net margin before tax after administration and other expenses of 2%.

Customer growth has continued into the year 30 June 2015 and as of October 2014, our customer numbers have increased to over 60,000 which demonstrates continued confidence of the Northern Ireland consumer in our product offering. Operating performance has continued to improve in the first four months of the current financial year, resulting in a strong net asset position for the company. We anticipate another successful year ahead.

The above results would not be possible without the continued dedication and enthusiasm of our staff and we would like to take this opportunity to thank them for this.

KEY PERFORMANCE INDICATORS

The directors have a number of key performance indicators which they monitor on a regular basis. There are daily, weekly and monthly management information reports produced covering all areas of the business including customer acquisition numbers, energy prices, gross margin, customer service and cash flow.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks faced by the business are set out as follows:

Volatility in the wholesale price of electricity

The company is exposed to electricity price fluctuations which have a direct impact on its profit margins. The company is implementing suitable hedging strategies to manage this risk.

Liquidity risk

BUDGET ENERGY LIMITED

The significant growth in trading activities requires increased funding for working capital purposes. The company secured appropriate banking facilities during the year to fund this growth.

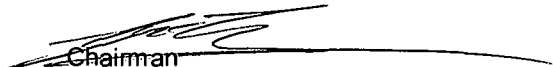
STRATEGIC REPORT for the year ended 30 June 2014

Operational Risk

Operational risk is managed through continued investment in improving systems and controls and monitoring operations against the key performance indicators outlined above.

Growing the Customer Base

The company manages risks to growth by continuing to offer a high quality service to customers at competitive prices which aim to be superior to that of our competitors.


Chairman

Date

GEORGE MCEVOY


Chief Executive Officer

GLEANOR MCEVOY

DIRECTORS' REPORT
for the year ended 30 June 2014

The directors present herewith their report and audited financial statements for the year ended 30 June 2014.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company continues the purchase and supply of electricity to the residential and commercial markets in Northern Ireland. The company achieved exceptional growth again during FY2014 with customer numbers increasing 115% to over 58,000 and turnover increasing from £13,195,358 to £30,037,263 with the profit for the year of £626,759 (2013: restated loss of £1,254,764).

RESULTS AND DIVIDENDS

The profit and loss account for the year ended 30 June 2014 and the balance sheet at that date are set out on pages 10 and 12. The profit for the year before taxation amounted to £626,759 (2013: restated loss of £1,254,764). There was no taxation charge for the year (2013: credit of £28,430) and accordingly the profit for the financial year (2013: restated loss of £1,226,334) was transferred to profit and loss reserves.

GOING CONCERN

The company is in a net liability position of £733,084 at the balance sheet date, however, it achieved significant sales growth during the year and generated strong profits in its third full year of trading. The company has continued to achieve exceptional growth post year end and at the date of this report, the company is in a net asset position having generated strong profitability in FY2015 to date. Furthermore, the company has adequate banking facilities to fund its forecast growth for the foreseeable future. Accordingly, the directors are certain that it is appropriate to prepare the financial statements on a going concern basis.

DIRECTORS AND SECRETARY AND THEIR INTERESTS

The current directors and company secretary, who served throughout the year, are shown on page 2.

The directors' interests in the share capital of the company, at the beginning and end of the year were as follows:

	<i>Ordinary shares of £1 par value</i>	
	<i>At 30 June 2014</i>	<i>At 30 June 2013</i>
George McEvoy	nil	50
Eleanor McEvoy	nil	50

As at 28 March 2014 100% of shares held by directors were transferred to a holding company, Budget Energy Holdings Limited.

IMPORTANT EVENTS SINCE THE YEAR END

There have been no important events since the year end.

DIRECTORS' REPORT

for the year ended 30 June 2014 (Continued)

DISABLED EMPLOYEES

The company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion. Where existing employees become disabled, it is the company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

EMPLOYEE INVOLVEMENT

The company operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2004. Regular meetings are held between management and employees to allow a free flow of information and ideas.

DONATIONS

No donations were made by the company during the year for charitable or political purposes (2013:£nil).

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the 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 company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

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

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

BUDGET ENERGY LIMITED

DIRECTORS' REPORT

for the year ended 30 June 2014 (Continued)

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

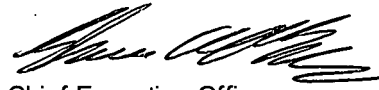
The auditor, Ernst & Young will continue in office in accordance with Section 485 of the Companies Act 2006.

On behalf of the Directors

Chairman



Chief Executive Officer



Date

3 December 2014

GEORGE MCEVOY

ELEANOR MCEVOY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUDGET ENERGY LIMITED

We have audited the financial statements of Budget Energy Limited for the year ended 30 June 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUDGET ENERGY
LIMITED (Continued)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Roger Wallace (Partner)
for and on behalf of Ernst & Young

Dublin

Date:

9 December 2014

BUDGET ENERGY LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 30 June 2014

		2014	2013
	Note	£	(as restated) £
Turnover	2	30,037,263	13,195,358
Cost of sales		(27,249,074)	(13,350,983)
Gross profit/(loss)		2,788,189	(155,625)
Administrative expenses		(1,914,426)	(1,059,033)
Operating profit/(loss)	4	873,763	(1,214,658)
Interest receivable and similar income		5,495	6,894
Interest payable and similar charges	5	(252,499)	(47,000)
Profit/(loss) on ordinary activities before taxation		626,759	(1,254,764)
Tax on profit/(loss) on ordinary activities	6	-	28,430
Profit/(loss) for the financial year	11	626,759	(1,226,334)

Approved by the Board on 3 December 2014


Chairman

GEORGE MCEVOY


Chief Executive Officer

ELEANOR MCEVOY

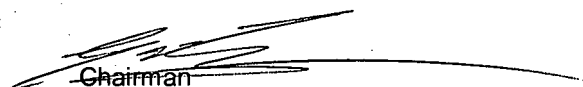
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 30 June 2014

	<i>Note</i>	<i>2014</i> £	<i>2013</i> <i>(as restated)</i> £
Profit/(loss) for the financial year	11	626,759	<u>(1,226,334)</u>
Prior year adjustment	20	(672,685)	
Total losses recognised since the last financial statements		<u>(45,926)</u>	

BUDGET ENERGY LIMITED**BALANCE SHEET**
at 30 June 2014

		2014	2013
			(as restated)
ASSETS	Note	£	£
FIXED ASSETS			
Tangible assets	7	157,491	185,278
CURRENT ASSETS			
Debtors	8	1,586,097	487,965
Cash at bank and in hand	9	3,043,615	776,716
		4,629,712	1,264,681
TOTAL ASSETS		4,787,203	1,449,959
LIABILITIES			
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account	11	(733,184)	(1,359,943)
Total equity – shareholders' deficit	12	(733,084)	(1,359,843)
CREDITORS	15	5,520,287	2,809,802
Total liabilities		5,520,287	2,809,802
TOTAL LIABILITIES AND EQUITY		4,787,203	1,449,959

Approved by the Board on 3 December 2014


Chairman
Chief Executive Officer

Registration number NI073739

GEORGE MCEVOY

ELEANOR MCEVOY

STATEMENT OF CASH FLOW
for the year ended 30 June 2014

	<i>Note</i>	2014 £	2013 £
Net cash inflow from operating activities	13(a)	2,305,380	(135,325)
Returns on investment and servicing of finance			
Interest received		5,495	6,894
Interest paid	5	(252,499)	(47,000)
		(247,004)	(40,106)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets	7	(80,426)	(31,104)
Cash inflow before management of liquid resources and financing			
		1,977,950	(206,535)
Financing			
(Repayment)/increase in shareholders' loans		(50,000)	50,974
New term loan	15	846,377	-
New obligation under hire purchase contract	16	24,555	-
		820,932	50,974
Increase/(decrease) in cash	13(b)	2,798,882	(155,561)

NOTES TO THE FINANCIAL STATEMENTS
30 June 2014

1. ACCOUNTING POLICIES

(a) *Accounting convention and basis of preparation*

The financial statements 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 company is in a net liability position of £733,084 at the balance sheet date, however it achieved significant sales growth during the year and generated strong profits in its third full year of trading. The company has continued to achieve exceptional growth post year end and at the date of this report, the company is in a net asset position having generated strong profitability in FY2015 to date. Furthermore, the company has adequate banking facilities fund to support its forecast growth for the foreseeable future. Accordingly, the directors are certain that it is appropriate to prepare the financial statements on a going concern basis.

(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	20% 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 FINANCIAL STATEMENTS
30 June 2014 (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, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(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.

(g) *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.

(h) *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.

(i) *Hire purchase commitments*

Hire purchase contracts are capitalised in the balance sheet and are depreciated over the shorter of the lease term and the asset's useful lives. The capital elements of future obligations under hire purchase contracts are included as creditors in the balance sheet. The interest elements of the rental obligations are charged in the profit and loss account over the periods of the hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

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.

NOTES TO THE FINANCIAL STATEMENTS
30 June 2014 (Continued)

3. EMPLOYEES

The average number of persons employed by the company during the year (including directors) was 29 (2013: 22).

	2014	2013
	£	£
The staff costs comprise:		
Salaries	532,112	343,097
Employer's National Insurance contributions	45,355	19,483
	<u>577,467</u>	<u>362,580</u>

4. OPERATING PROFIT/(LOSS)

	2014	2013
	£	£
Operating profit/(loss) is stated after charging/(crediting):		

Depreciation charge	84,024	59,595
Amortisation of capital grant	(7,263)	(3,571)
Auditors' remuneration	21,000	16,000
Loss on retirement of fixed assets	24,189	-
Directors' remuneration	176,732	170,000
Operating lease costs – land and buildings	32,472	25,460
	<u>257,164</u>	<u>267,524</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Shareholders guarantee charge (note 18)	93,832	47,000
Interest on term loan	69,488	-
Interest on shareholders' loan (note 18)	38,785	-
Interest on obligation under hire purchase contract	1,628	-
Bank charges	37,141	-
Other charges	11,625	-
	<u>252,499</u>	<u>47,000</u>

Interest on term loan relates to 8% fixed annual interest charged on a new loan facility entered into by the company during the year.

Interest on shareholders' loan pertains to 8% fixed annual interest of the balance of loan outstanding.

Interest on obligation under hire purchase contract relates to 7.51% fixed annual interest of the balance of capital repayments outstanding.

NOTES TO THE FINANCIAL STATEMENTS
30 June 2014 (Continued)

6.	TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	2014	2013
		£	£

(a) *Analysis of charge/(credit) in year:*

There was no corporation tax charge for the year ended 30 June 2014 or the prior year.

Deferred tax:

Origination and reversal of timing differences	-	(28,430)
Total deferred tax	-	(28,430)
Tax on loss on ordinary activities	-	(28,430)

(b) *Reconciliation of the expected tax charge at the standard tax rate to the actual tax charge at the effective rate:*

The current tax amount for the year differs from the product of the standard rate of corporation tax in the United Kingdom 21% (2013: 23%) multiplied by the pretax profit/(loss). The differences are explained below:

	2014	2013 (as restated)
	£	£
Profit/(loss) on ordinary activities before tax	626,759	(1,254,764)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 21% (2013: 23%):	131,619	(288,596)
<i>Effects of:</i>		
Depreciation in excess of capital allowances	13,089	3,716
Utilisation of trade losses carried forward	(144,708)	-
Losses carried forward to future years	-	284,880
Current tax charge for year	-	-

(c) *Circumstances affecting current and future tax charges:*

A potential deferred tax asset of £158,288 (2013: restated balance of £341,767) is not recognised due to uncertainty as to the availability of future profits against which this balance will be utilized. The reduction of UK corporation tax to 20% with effect from April 2015 has been substantively enacted. There are no other factors which may materially impact future tax charges.

BUDGET ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
30 June 2014 (Continued)

7. 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 2013	61,837	18,454	18,374	178,724	277,389
Additions	24,601	-	55,825	-	80,426
Retirements	-	(2,480)	-	(45,000)	(47,480)
At 30 June 2014	86,438	15,974	74,199	133,724	310,335
<i>Depreciation</i>					
At 1 July 2013	38,422	5,017	8,325	40,347	92,111
Charges	19,679	3,195	8,842	52,308	84,024
Retirements	-	(41)	-	(23,250)	(23,291)
At 30 June 2014	58,101	8,171	17,167	69,405	152,844
<i>Net book amounts</i>					
At 30 June 2014	28,337	7,803	57,032	64,319	157,491
At 30 June 2013	23,415	13,437	10,049	138,377	185,278

NOTES TO THE FINANCIAL STATEMENTS
30 June 2014 (Continued)

8.	DEBTORS (amounts falling due within one year)	2014	2013
		£	£
	Trade debtors	71,971	349,013
	Other debtors	614,311	100,692
	Prepayments and accrued income	630,453	28,260
	VAT refund due	269,362	–
	Director's loan account (note 18)	–	10,000
		<u>1,586,097</u>	<u>487,965</u>

9. CASH AT BANK AND IN HAND – RESTRICTED CASH

Danske Bank plc holds a lien over a deposit account with a balance of £2,220,030 at the year end date as security in respect of a letter of credit provided to a supplier of the company.

At 30 June 2014, a supplier of the company holds a lien over a deposit balance of £2,747 (2013: £3,725) as security in respect of credit terms provided to the company for normal trading activities.

At the prior year end, Bank of Ireland plc held a lien over a deposit account with a balance of £530,295 as security in respect of a letter of credit provided to a supplier of the company.

At the prior year end, Ulster Bank Limited held a lien over a deposit account with a balance of £200,000 as security in respect of a letter of credit provided to a supplier of the company. (note 15)

10.	CALLED UP SHARE CAPITAL	2014	2013
		£	£
	<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>

NOTES TO THE FINANCIAL STATEMENTS
30 June 2014 (Continued)

11.	PROFIT AND LOSS ACCOUNT	2014	2013 (as restated)
		£	£
	Balance at beginning of year as previously reported	(687,258)	(133,609)
	Prior year adjustment (note 20)	(672,685)	-
		<u></u>	<u></u>
	Balance at beginning of year as restated	(1,359,943)	(133,609)
	Profit/(loss) for the financial year	626,759	(1,226,334)
		<u></u>	<u></u>
	Balance at the end of the year	<u>(733,184)</u>	<u>(1,359,943)</u>
12.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2014	2013 (as restated)
		£	£
	Balance at beginning of year as previously reported	(687,158)	(133,509)
	Prior year adjustment (note 20)	(672,685)	-
		<u></u>	<u></u>
	Balance at beginning of year as restated	(1,359,843)	(133,509)
	Profit/(loss) for the financial year	626,759	(1,226,334)
		<u></u>	<u></u>
	Balance at the end of the year	<u>(733,084)</u>	<u>(1,359,843)</u>
13(a).	RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2014	2013
		£	£
	Operating profit/(loss)	873,763	(1,214,658)
	Depreciation of tangible fixed assets	84,024	59,595
	Increase in debtors	(1,098,131)	(176,399)
	Increase in creditors	2,421,535	1,196,137
	Loss on retirement of fixed assets	24,189	-
		<u></u>	<u></u>
	Net cash inflow from operating activities	<u>2,305,380</u>	<u>(135,325)</u>

NOTES TO THE FINANCIAL STATEMENTS
30 June 2014 (Continued)

13(b)	RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET DEBT	2014 £	2013 £
	Increase/(decrease) in cash	2,798,882	(155,561)
	Repayment/(increase) in shareholders' loan	50,000	(50,974)
	New term loan (note 15)	(846,377)	-
	New obligation under hire purchase contract (note 16)	(24,555)	-
		<u>1,977,950</u>	<u>(206,535)</u>
	Increase/(decrease) in net funds resulting from cash flow	1,977,950	(206,535)
	Movement in net funds in the year	1,977,950	(206,535)
	Net funds at the beginning of year	(290,084)	(83,548)
		<u>1,687,866</u>	<u>(290,083)</u>
13(c)	ANALYSIS OF NET FUNDS	2013 £	Cashflow £
			2014 £
	Cash at bank and in hand	776,716	2,266,899
	Bank overdraft (note 15)	(531,983)	531,983
		<u>244,733</u>	<u>3,043,615</u>
	Shareholders' loans (note 15)	(534,817)	50,000
	Term loan (note 15)	-	(846,376)
	Hire purchase contract (note 16)	-	(24,555)
		<u>(290,084)</u>	<u>1,687,866</u>
14.	PROVISIONS FOR LIABILITIES	2014 £	2013 £
	Balance at the beginning of the year	-	28,430
	Movement for the year	-	(28,430)
		<u>-</u>	<u>-</u>
	Balance at the end of the year	-	-

Provisions for liabilities pertained solely to a deferred taxation liability in respect of accelerated capital allowances at the prior year end. This balance was offset by taxation losses incurred during the prior year.

NOTES TO THE FINANCIAL STATEMENTS
30 June 2014 (Continued)

15. CREDITORS	2014	2013 (as restated)
	£	£
Bank overdraft and demand loan	-	531,983
Trade creditors	591,144	919,932
Other creditors	16,643	-
Obligation under hire purchase contract (note 16)	24,555	-
Other taxes and social security costs	18,763	23,017
Loan	846,377	-
Accruals and deferred income	3,525,905	780,708
Shareholders' loans	484,817	534,816
Deferred grant funding	12,083	19,346
	<u>5,520,287</u>	<u>2,809,802</u>

Amounts falling due after more than one year, included in the balances above, are as follows:

	2014	2013
	£	£
Loan	663,882	-
Obligation under hire purchase contract (note 16)	21,017	-
Shareholders' loans	484,817	534,816
Deferred grant funding	12,083	19,346
	<u>1,181,799</u>	<u>554,162</u>

The shareholders' loan is unsecured with no fixed term of repayment and is subordinate to third party bank facilities. The shareholders' loan carries 8% fixed annual interest applied on the balance of the loan outstanding.

The loan pertains to a term loan drawdown during the year and is wholly repayable within five years. The term loan is unsecured and carries a fixed annual interest rate of 8% applied on the balance of capital repayments outstanding.

NOTES TO THE FINANCIAL STATEMENTS
30 June 2014 (Continued)

16. OBLIGATION UNDER HIRE PURCHASE CONTRACT

Amounts due under hire purchase contract:

	2014	2013
	£	£
Amounts payable:		
Within one year	3,538	-
In two to five years	21,017	-
	<u>24,555</u>	<u>-</u>

The hire purchase contract entered into by the Company with a financing institution relates to financing of a motor vehicle bought during the year. The hire purchase contract is secured on the motor vehicle to which it pertains and carries fixed annual interest rate of 7.51% of the balance of capital repayments outstanding.

17. FINANCIAL COMMITMENTS

At 30 June 2014, and the prior period end, the company had annual commitments under non-cancellable operating leases for land and buildings as follows:

	2014	2013
	£	£
<i>Expiry date:</i>		
Between one and five years	<u>25,460</u>	<u>25,460</u>

At 30 June 2014, a third party bank has provided letters of credit with a cumulative value of £3,418,230 (2013: £1,549,418) to certain suppliers as security for the trade credit terms which they provide to the company. A further shareholders guarantee of £500,000 has been provided to that bank in respect of these letters of credit.

At the prior year end, the shareholders had given a guarantee to another third party bank in amount of £1,500,000, secured by fixed charges over certain properties owned by the shareholders, together with a lien over a cash deposit of £200,000, along with subordination deeds of postponements in relation to the shareholders loans outstanding at the balance sheet date as security in relation to letters of credit provided by that bank at that date.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2014 (Continued)

18. RELATED PARTY TRANSACTIONS

As disclosed in note 15, the shareholders have provided a personal guarantee to certain bank as security in respect to letters of credit issued by the bank on behalf of the company. The shareholders charged the company £93,832 (2013: £47,000) in respect of the provision of these guarantees during the year. As was the case in the prior year, this balance was settled pre year end.

As disclosed in note 15, the shareholders loan carries 8% fixed annual interest applied on the balance of the loan outstanding. Interest charged for the current year amounted to £38,785 and remained outstanding at year end.

The company provided a cash advance of £10,000 to Mr. Damian Wilson, a company director, during the prior year and additional £11,000 during the year. The cumulative balance remained outstanding at the year end; however, it has been fully provisioned for due to uncertainty as to its recoverability.

19. CONTROLLING INTEREST

The controlling interest is held by Budget Energy Holdings Limited, to which the entire issued share capital was transferred on 23 March 2014, previously held by Mr. George McEvoy, Chairman, and Mrs. Eleanor McEvoy, Chief Executive Officer.

20. PRIOR YEAR ADJUSTMENTS

Accruals in relation to electricity supply costs were understated by £620,707 at the prior year end, representing a fundamental error in accordance with FRS 3 'Reporting Financial Performance'. The comparatives have been restated in these financial statements to reflect the correction of this error. As these expenses are deductible for corporation tax purposes the comparative unrecognised deferred tax asset has been amended by £142,762 in respect of this matter.

In the prior year, customer deposits amounting to £51,978 were incorrectly recorded as turnover. This error has been corrected by a prior year adjustment to appropriately recognise the balance within other creditors at 30 June 2013. As this balance was treated as taxable income in the prior year, the comparative unrecognised deferred tax asset has been appropriately increased by £11,955 in relation to this matter.

The buy-out costs relating to the OFGEM Renewables Obligation for the prior year amounting to £298,713 have been reclassified in the Profit and Loss Account from Administrative expenses to Cost of Sales for conforming with current year presentation.

21. APPROVAL OF FINANCIAL STATEMENTS

The directors approved the financial statements and authorised them for issue on 3 December 2014