

Registration number: 03521776

# Ecotricity Group Limited

Annual Report and Financial Statements

for the Year Ended 30 April 2021



## **Ecotricity Group Limited**

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## **Ecotricity Group Limited**

### **Company Information**

<b>Directors</b>	Dale Vince Asif Rehmanwala Kate Vince Alistair Harrison Paul Sands Anita Yandall-Jones
<b>Registered office</b>	Lion House Rowcroft Stroud Gloucestershire GL5 3BY
<b>Auditors</b>	Grant Thornton UK LLP Chartered Accountants 2 Glass Wharf Bristol BS2 0EL

## **Ecotricity Group Limited**

### **Strategic Report for the Year Ended 30 April 2021**

The Directors present their strategic report for the year ended 30 April 2021.

#### **Principal activity**

The principal activity of the company is the provision of central services to fellow companies within the Green Britain Group and a holding company for various subsidiaries.

#### **Fair review of the business**

A profit before tax for the year of £4,736,702 was recognised (2020: loss before tax £1,759,164) which was due to a combination of the following factors.

Turnover decreased to £10,108,444 (2020: £19,051,772) as a result of a reduction in the management recharges to other group companies to £10,062,290 (2020: £19,005,665)

The Company's administrative expenses have increased to £24,842,003 (2020: £21,789,334) in the current year.

Outside of operating profit, the company's performance was impacted by positive movements in the fair value of listed investments resulting in income of £4,535,243 (2020: £1,117,843), the sale of investment generating £13,702,591, and £1,182,026 (2020:£nil) of dividends declared from Western Windpower Limited, a fellow group company.

The Company's financial position remains strong with an improvement of the net liability position to £10,973,295 (2020: £18,022,549). However, these liabilities include £98,337,320 (2020: £86,037,139) amounts owing to related parties. The company enjoys the continued support of its related parties and continues to play an integral role for Green Britain Group Limited in achieving its overall group mission of promoting sustainability in all walks of life.

## **Ecotricity Group Limited**

### **Strategic Report for the Year Ended 30 April 2021**

#### **Future developments**

The Directors continue to commit to re-investing any profits made into the Group's projects, primarily to support the continued generation of green energy, but also its other initiatives which underpin the wider Group's mission, to promote sustainability in Energy, Transport and Food.

#### **Principle risks and uncertainties**

The principle risks of the Company continue to be:

- **Covid-19**

The Company's top priority has been to ensure the safety of colleagues and customers during the pandemic whilst maintaining customer's energy supply. The Company quickly implemented plans to maintain our core services whilst operating within Government restrictions. This involved moving more than 80% of its employees to working from home arrangements. The impact of Covid-19 has made it more difficult to service our wind park portfolio and develop new projects.

- **Political and regulatory risk**

There have been a significant number of changes to the regulations governing the energy industry. SMART requires the Group to continue to invest resource and cost to ensure the Group remains both compliant and competitive.

It still remains hard to predict, with certainty, the medium and long term effects on the economy including energy prices and Government approach to renewable energy following the UK leaving the EU in 2020.

- **Financial risks**

The Company is exposed to a variety of financial risks including credit risk and liquidity risk. The Company has significant balances with fellow group companies and mitigate the risk by reviewing forecasts for the recoverability of balances owed to the Company and to manage its own cash position.

## **Ecotricity Group Limited**

### **Strategic Report for the Year Ended 30 April 2021**

#### **Section 172 statement**

The stakeholders of Green Britain Group Limited and its subsidiaries are critical to the success of our strategy and business model. Engagement with our stakeholders sets out the key priorities on the direction of the company, assisting with Directors' decision making throughout the year.

A director of a company must act to promote the success of the Company for the benefit of all its members, and in so doing considering (amongst other matters):

- The likely consequences of any decision in the long term
- The interests of the Company's employees
- The need to foster the Company's business relationships with suppliers, customers and others
- The impact of the Company's operations on the community and the environment
- The desirability of the Company maintaining a reputation for high standards of business conduct, and
- The need to act fairly between members of the Company.

In order to fulfil these duties, the Directors consider a number of areas including;

#### ***Our people***

Our people are at the heart of what we are aiming to do. They drive the Group forward in achieving our goal to provide 100% green energy to help stop climate change. We support our employees in areas such as their health and wellbeing through provision of Simply Health care plan, as well as providing a safe, inclusive and enjoyable place to work. We focus on great management of people to bring out the best in our team and to focus on their development. We offer our people the opportunity to give back to our community in providing a charity day each year.

#### ***Our customers***

We focus on engagement with our customers in order to deliver a quality service, whilst at the same time assisting our customers in their own green journeys to work towards the mission of a Green Britain. What makes Ecotricity different from other energy companies is that we take the money we make from our customers' bills and use it to build new forms of green energy.

We call it Bills into Mills and it means that by paying your bill every month you're helping fight climate change. Every new windmill or solar park we build reduces Britain's reliance on fossil fuels to generate electricity.

#### ***Business relationships and the community***

Building a green Britain isn't something we can do alone. That's why we partner with companies and organisations who share our values. From powering their operations to running campaigns about the issues we care about. We've formed some really great partnerships with around 200 organisations. You can read about how our partners are helping to make Britain greener on our website.

#### ***Environment***

At Ecotricity, our mission is to fight climate change. As an energy company, the best way we can do this is to end the use of fossil fuels by giving people an alternative - green energy. As Britain's greenest energy company, we're aware that we need to go further than supplying green energy to our customers. We also need to ensure that all our activities are as sustainable as possible. To achieve this we have put in place an environmental policy, which we regularly update, alongside a whole range of measures including constant monitoring of our environmental footprint.

We don't just talk the talk, we walk the walk, and sustainability is there in everything we do.

## **Ecotricity Group Limited**

### **Strategic Report for the Year Ended 30 April 2021**

#### ***Government***

Since Ecotricity was founded in 1995, Britain has increased its green energy output from 3% to 33%, but there's still a long way to go. That's why we've been lobbying the UK government to pursue wider reaching and more determined policies to address the climate emergency.

#### **Sustainability Report**

This is the second year that we have published our carbon emissions data as a "large" unquoted company since the implementation of the Streamlined Energy and Carbon Reporting. However, we continue to provide this information on our company website, as we have done since 2010, as part of our Environmental Management System which is certified to ISO14001:2015. More information about this can also be found in the Green Britain Group financial statements.

Approved by the Board on 10/2/2022 ..... and signed on its behalf by:

*Asif Rehmanwala*

.....  
Asif Rehmanwala  
Director

## **Ecotricity Group Limited**

### **Directors' Report for the Year Ended 30 April 2021**

The Directors present their report and the financial statements for the year ended 30 April 2021.

#### **Group reconstruction**

On 28 August 2020 Green Britain Group Limited acquired 100% of the share capital of Ecotricity Group Limited by way of a share for share exchange. As a result, the Company is now no longer the ultimate parent of the wider Group. For more information see the Green Britain Group Limited financial statements.

#### **Directors of the Company**

The directors who held office during the year were as follows:

Dale Vince

Asif Rehmanwala

Kate Vince

Alistair Harrison (appointed 11 November 2020)

Paul Sands

Anita Yandall-Jones (appointed 18 August 2020)

Claire Burden (resigned 21 July 2020)

Tom Cowling (resigned 18 March 2021)

Daniel Goodall (resigned 18 August 2020)

#### **Dividends**

The directors recommend no dividend to be paid (2020: £Nil).

#### **Political donations**

The Company made £51,000 of political donations during the year. (2020: £51,000).

#### **Charitable donations**

The Company made £51,450 of charitable donations during the year (2020: £59,400).

#### **Employees**

The Company is committed to ensuring the development of its employees including disabled employees. The Company values the differences between employees that define them as unique individuals and that diversity within the workplace is an integral part of achieving success. This includes giving full and fair consideration to applications for employment by the Company made by disabled persons, having regard to their particular aptitudes and abilities and the continuing employment of, and for arranging appropriate training for, employees of the Company who have become disabled persons during the period when they were employed by the Company.

#### **Going concern**

The Company has net liabilities of £10,973,295, net current liabilities of £61,768,074, including intercompany debtor balances totalling £41,282,366 and intercompany creditor balances totalling £98,337,320. The Company has made a profit before taxation of £4,736,702 in the year.

The Company is reliant on the going concern status of the Group as a whole in its own going concern assessment. The Company relies on support from its ultimate parent company, Green Britain Group Limited, and has received written confirmation from Green Britain Group Limited that it intends to continue to support the company as necessary.



## **Ecotricity Group Limited**

### **Directors' Report for the Year Ended 30 April 2021**

The group has net assets of £62,269,000 which includes net current liabilities of £45,597,000. The group has made a loss before taxation of £10,937,000 in the year. The Group has cash and cash equivalents of £13,008,000, including disposal proceeds from the sale of a stake in The Electric Highway and a loan from the directors. The group is funded via £45,825,000 of bonds, all of which can be redeemed from December 2021 if called upon. The Directors believe mass redemption events are highly unlikely due to low rates of redemption historically and bond holders' commitment to supporting the Group's vision of sustainability.

As mentioned in note 28 of the Green Britain Group Limited, the Group sold its remaining shareholding in The Electric Highway Company Limited. The current financial results of the Group have exceeded the forecast year to date. Current full year projections show the company is expected to make a double digit profit driven by the proceeds from the sale of The Electric Highway, and underlying operational performance. The Group also has initiatives in place to manage debt and deliver stronger working capital management. The Group, at the time of preparing this report, has significant cash reserves (c£55m as at end December 2021) driven by operational performance, proceeds from the sale of Electric Highway and shareholder support.

During preparation of the financial statements, there has been significant volatility in the energy market, which is causing well publicised failures of energy suppliers who did not employ the same rigorous hedging strategy as Ecotricity Limited. This will, unavoidably, impact on the energy retail market, with the industry costs of these failed companies likely spread across the remaining companies through mutualisation. In addition, wholesale costs of energy, particularly gas, are currently experiencing record highs. The Directors believe this volatility may continue through the next 12-month period and it is materially uncertain how the market or regulation will change as a result. This could impact both the company, its competitors and consumers.

The Directors believe the Group is well positioned in the market to react to these risks. The Group has significant cash reserves, it can forward purchase its customers' energy requirements, and adjust prices beyond the published price cap in order to continue to operate as a going concern.

The Directors have prepared a detailed assessment of the Group's ability to continue as a going concern. This assessment covers 12 months from the date of this report. As part of this analysis both the company's liquidity and performance against its financial covenants has been assessed. This took into account:

- Changing energy usage from our customers due to Covid-19
- Stable customer numbers throughout FY22
- Steady trading including normal levels of bad debt and improvement in the company's working capital from focused debt management

In this scenario the company had sufficient resources to meet its obligations and the Directors consider that it can continue to operate as a going concern for a period of at least 12 months from the date of approving these financial statements.

Downside stress tests, considered plausible, have also been prepared. These included:

- 10% energy supply customer churn
- No working capital improvement
- 35% lower wind yields
- No growth in New Ventures businesses
- Ecobonds being redeemed by all bond holders at one time for repayment in January 2023
- Higher energy prices continuing for 12 months

Were any one of these scenarios to occur in isolation, the Group has sufficient cash to meet these challenges without mitigating actions.

## Ecotricity Group Limited

### Directors' Report for the Year Ended 30 April 2021

Plausible mitigating actions have also been considered in the preparation of these stress tests. Due to its strong green credentials, the Group can raise prices to react to rising industry costs because of the derogation from the price cap. A hedging strategy allows it to manage volatile wholesale prices, seen in the energy crisis to date, and navigate peaks of really high prices. Bonds redemptions must be notified at least 6 months in advance of cash being released, giving the Directors time to arrange alternate sources of funding or the generation of cash through asset sales. The Group has an 89.5 MW generation fleet which is a highly attractive set of assets that could be sold in highly unlikely but plausible scenarios.

In assessing the downside cases, in the Director's view, a severe but theoretically possible scenario has been created which would break the model.

- In it materially uncertain conditions from the energy crisis lead to significant additional costs to the company and its competitors
- No government intervention occurs to reduce consumer exposure or support the industry
- Most of the Group's Ecobonds are redeemed all at once
- The Group is unable to undertake any mitigating actions such as the disposal of its assets, price rises or cost cutting

These factors indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

However, the Directors believe, as outlined above, the Group's current position of strength and mitigating actions that can be employed put it in a strong position in an uncertain market. Therefore, the Directors conclude it appropriate to continue to adopt the going concern principle in preparing the financial statements.

#### Important non adjusting events after the financial period

The Company sold the remaining investment in The Electric Highway Company Limited to a third party after the balance sheet date.

#### Directors' liabilities

The Green Britain Group Limited group has put in place qualifying third party indemnity provisions for all of the Directors of the Company.

#### Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### Reappointment of auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Grant Thornton UK LLP will therefore continue in office.

Approved by the Board on 10/2/2022 and signed on its behalf by:

*Asif Rehmanwala*

Asif Rehmanwala  
Director

## **Ecotricity Group Limited**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual 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 period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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.

## **Ecotricity Group Limited**

### **Independent Auditor's Report to the Member of Ecotricity Group Limited**

#### **Opinion**

We have audited the financial statements of Ecotricity Group Limited (the 'company') for the year ended 30 April 2021, which comprise the Profit and Loss Account, the Statement of Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2021 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty relating to going concern**

We draw attention to note 2 in the financial statements, which indicates that although the company made a net profit before taxation of £4,736,702 during the year ended 30 April 2021, the company's net current liabilities at that date were £61,768,074. The company relies on support from its ultimate parent company, Green Britain Group Limited.

As stated in note 2 there is currently significant volatility in the energy market, which is causing well publicised failures of energy suppliers. This will, unavoidably, impact on the energy retail market, with the industry costs of these failed companies being spread across the remaining suppliers in the market. Furthermore, wholesale costs of energy, particularly gas, are currently at record highs. This situation is expected to persist beyond the next 12-months, and it is materially uncertain how the market or regulation will change in respect of this. This will impact the group and company, its competitors, and consumers.

In addition, a severe but theoretically possible downside scenario exists that would break the Group's cashflow model and may cast significant doubt on the Group's ability to provide support. This involves the materially uncertain conditions arising from the volatility in the energy market leading to significant additional costs to the group and its competitors; there being no government intervention occurring to reduce consumer exposure or to support the industry; most of the Ecobonds being redeemed simultaneously; and the group being unable to undertake mitigating actions such as the disposal of its assets, passing on to consumers price rises or significant cost cutting. These events or conditions, along with other matters as set out in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## **Ecotricity Group Limited**

### **Independent Auditor's Report to the Member of Ecotricity Group Limited**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

#### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which 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.

#### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement (page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's 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 auditor's 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.

## **Ecotricity Group Limited**

### **Independent Auditor's Report to the Member of Ecotricity Group Limited**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company, and determined that the most significant are those that relate to the financial reporting framework (Financial Reporting Standard 102, Companies Act 2006 and the UK tax legislation); health and safety, employee matters, environmental and bribery and corruption procedures;

We enquired of management, the directors and the in-house legal counsel as to whether they were aware of any non-compliance with laws and regulations and whether they had any knowledge of actual, suspected or alleged fraud. We corroborated the results of our enquiries to board minutes to supporting documentation;

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with employees from different parts of the business, including the finance team, in-house legal counsel and the IT department, to understand where it is considered there was a susceptibility of fraud;

In assessing the potential risks of material misstatement, we obtained an understanding of:

(i) the company's operations, including the nature of its revenue sources and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;

(ii) the company's control environment including:

(iii) the finance system and controls, including the controls over journal postings that the group has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how senior management monitor the finance system and the controls;

- Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. Our audit procedures involved: journal entry testing, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions; and management; and

- In addition, we completed audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements.

We also considered the key performance indicators and their propensity to influence efforts made by management to manage earnings;

Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:

(i) understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation;

(ii) knowledge of the industry in which the company operates; and

(iii) understanding of the legal and regulatory requirements specific to the company.

We did not identify any matters relating to non-compliance with laws and regulations or relating to fraud;

## **Ecotricity Group Limited**

### **Independent Auditor's Report to the Member of Ecotricity Group Limited**

#### **Use of our report**

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 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
**Timothy Lincoln BA ACA**  
**Senior Statutory Auditor**  
**For and on behalf of Grant Thornton UK LLP,**  
**Statutory Auditor, Chartered Accountants**

**Bristol**

10/2/2022

Date:.....

# Ecotricity Group Limited

## Profit and Loss Account for the Year Ended 30 April 2021

	Note	2021 £	2020 £
Turnover	3	10,108,444	19,051,772
Administrative expenses		(24,842,203)	(21,789,334)
Other operating income	4	264,088	19,804
Sale of investments in subsidiaries		13,702,591	-
Gain/loss on financial assets at fair value through profit and loss account		<u>4,535,243</u>	<u>1,117,843</u>
Operating profit/(loss)	5	<u>3,768,163</u>	<u>(1,599,915)</u>
Other interest receivable and similar income	6	1,184,459	-
Interest payable and similar charges	7	<u>(215,920)</u>	<u>(159,249)</u>
		<u>968,539</u>	<u>(159,249)</u>
Profit/(loss) before tax		4,736,702	(1,759,164)
Taxation	11	<u>2,312,552</u>	<u>223,897</u>
Profit/(loss) for the financial year		<u><u>7,049,254</u></u>	<u><u>(1,535,267)</u></u>

The notes on pages 18 to 38 form an integral part of these financial statements.



# **Ecotricity Group Limited**

## **Statement of Comprehensive Income for the Year Ended 30 April 2021**

	Note	2021 £	2020 £
Profit/(loss) for the year		<u>7,049,254</u>	<u>(1,535,267)</u>
Total comprehensive income for the year		<u><u>7,049,254</u></u>	<u><u>(1,535,267)</u></u>

**Ecotricity Group Limited**

**(Registration number: 03521776)**  
**Balance Sheet as at 30 April 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	12	14,970,539	6,726,993
Tangible assets	13	8,330,961	16,864,295
Investments	14	30,806,052	19,414,431
		<u>54,107,552</u>	<u>43,005,719</u>
<b>Current assets</b>			
Debtors	15	45,694,111	35,460,408
Cash at bank and in hand		-	523,995
		<u>45,694,111</u>	<u>35,984,403</u>
<b>Creditors: Amounts falling due within one year</b>	17	<u>(107,462,185)</u>	<u>(93,271,488)</u>
<b>Net current liabilities</b>		<u>(61,768,074)</u>	<u>(57,287,085)</u>
<b>Total assets less current liabilities</b>		<u>(7,660,522)</u>	<u>(14,281,366)</u>
<b>Creditors: Amounts falling due after more than one year</b>	17	<u>(3,312,773)</u>	<u>(3,741,183)</u>
<b>Net liabilities</b>		<u>(10,973,295)</u>	<u>(18,022,549)</u>
<b>Capital and reserves</b>			
Called up share capital	18	2	2
Capital redemption reserve	19	1	1
Profit and loss account	19	<u>(10,973,298)</u>	<u>(18,022,552)</u>
<b>Total equity</b>		<u>(10,973,295)</u>	<u>(18,022,549)</u>

Approved and authorised by the Board on 10/2/2022 and signed on its behalf by:

*Asif Rehmanwala*

Asif Rehmanwala  
 Director

Lion House, Rowcroft, Stroud, Gloucestershire, GL5 3BY

The notes on pages 18 to 38 form an integral part of these financial statements.

**Ecotricity Group Limited**

**Statement of Changes in Equity for the Year Ended 30 April 2021**

	<b>Share capital £</b>	<b>Capital redemption reserve £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 May 2020	2	1	(18,022,552)	(18,022,549)
Profit for the year	-	-	7,049,254	7,049,254
At 30 April 2021	<u>2</u>	<u>1</u>	<u>(10,973,298)</u>	<u>(10,973,295)</u>
	<b>Share capital £</b>	<b>Capital redemption reserve £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 May 2019	2	1	(16,487,285)	(16,487,282)
Loss for the year	-	-	(1,535,267)	(1,535,267)
At 30 April 2020	<u>2</u>	<u>1</u>	<u>(18,022,552)</u>	<u>(18,022,549)</u>

The notes on pages 18 to 38 form an integral part of these financial statements.

## **Ecotricity Group Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2021**

#### **1 General information**

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Lion House  
Rowcroft  
Stroud  
Gloucestershire  
GL5 3BY

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These Group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

##### **Basis of preparation**

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: certain financial instruments classified at fair value through profit or loss.

The presentation currency of the financial statements is pounds sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest pound.

##### **Summary of disclosure exemptions**

In these financial statements, the company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to the end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.

##### **Name of parent of group**

These financial statements are consolidated in the financial statements of Green Britain Group Limited.

The financial statements of Green Britain Group Limited may be obtained from Lion House, Rowcroft, Stroud, Gloucestershire, England, GL5 3BY.

## **Ecotricity Group Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2021**

#### **2 Accounting policies (continued)**

##### **Exemption from preparing group accounts**

The financial statements contain information about Ecotricity Group Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Green Britain Group Limited, a company incorporated in England and Wales.

##### **Going concern**

The Company has net liabilities of £10,973,295, net current liabilities of £61,768,074, including intercompany debtor balances totalling £41,282,366 and intercompany creditor balances totalling £98,337,320. The Company has made a profit before taxation of £4,736,702 in the year.

The Company is reliant on the going concern status of the Group as a whole in its own going concern assessment. The Company relies on support from its ultimate parent company, Green Britain Group Limited, and has received written confirmation from Green Britain Group Limited that it intends to continue to support the company as necessary.

The group has net assets of £62,269,000 which includes net current liabilities of £45,597,000. The group has made a loss before taxation of £10,937,000 in the year. The Group has cash and cash equivalents of £13,008,000, including disposal proceeds from the sale of a stake in The Electric Highway and a loan from the directors. The group is funded via £45,825,000 of bonds, all of which can be redeemed from December 2021 if called upon. The Directors believe mass redemption events are highly unlikely due to low rates of redemption historically and bond holders' commitment to supporting the Group's vision of sustainability.

As mentioned in note 28 of the Green Britain Group Limited, the Group sold its remaining shareholding in The Electric Highway Company Limited. The current financial results of the Group have exceeded the forecast year to date. Current full year projections show the company is expected to make a double digit profit driven by the proceeds from the sale of The Electric Highway, and underlying operational performance. The Group also has initiatives in place to manage debt and deliver stronger working capital management. The Group, at the time of preparing this report, has significant cash reserves (c£55m as at end December 2021) driven by operational performance, proceeds from the sale of Electric Highway and shareholder support.

During preparation of the financial statements, there has been significant volatility in the energy market, which is causing well publicised failures of energy suppliers who did not employ the same rigorous hedging strategy as Ecotricity Limited. This will, unavoidably, impact on the energy retail market, with the industry costs of these failed companies likely spread across the remaining companies through mutualisation. In addition, wholesale costs of energy, particularly gas, are currently experiencing record highs. The Directors believe this volatility may continue through the next the next 12-month period and it is materially uncertain how the market or regulation will change as a result. This could impact both the company, its competitors and consumers.

## **Ecotricity Group Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2021**

#### **2 Accounting policies (continued)**

The Directors believe the Group is well positioned in the market to react to these risks. The Group has significant cash reserves, it can forward purchase its customers' energy requirements, and adjust prices beyond the published price cap in order to continue to operate as a going concern.

The Directors have prepared a detailed assessment of the Group's ability to continue as a going concern. This assessment covers 12 months from the date of this report. As part of this analysis both the company's liquidity and performance against its financial covenants has been assessed. This took into account:

- Changing energy usage from our customers due to Covid-19
- Stable customer numbers throughout FY22
- Steady trading including normal levels of bad debt and improvement in the company's working capital from focused debt management

In this scenario the company had sufficient resources to meet its obligations and the Directors consider that it can continue to operate as a going concern for a period of at least 12 months from the date of approving these financial statements.

Downside stress tests, considered plausible, have also been prepared. These included:

- 10% energy supply customer churn
- No working capital improvement
- 35% lower wind yields
- No growth in New Ventures businesses
- Ecobonds being redeemed by all bond holders at one time for repayment in January 2023
- Higher energy prices continuing for 12 months

Were any one of these scenarios to occur in isolation, the Group has sufficient cash to meet these challenges without mitigating actions.

Plausible mitigating actions have also been considered in the preparation of these stress tests. Due to its strong green credentials, the Group can raise prices to react to rising industry costs because of the derogation from the price cap. A hedging strategy allows it to manage volatile wholesale prices, seen in the energy crisis to date, and navigate peaks of really high prices. Bonds redemptions must be notified at least 6 months in advance of cash being released, giving the Directors time to arrange alternate sources of funding or the generation of cash through asset sales. The Group has an 89.5 MW generation fleet which is a highly attractive set of assets that could be sold in highly unlikely but plausible scenarios.

In assessing the downside cases, in the Director's view, a severe but theoretically possible scenario has been created which would break the model.

- In it materially uncertain conditions from the energy crisis lead to significant additional costs to the company and its competitors
- No government intervention occurs to reduce consumer exposure or support the industry
- Most of the Group's Ecobonds are redeemed all at once
- The Group is unable to undertake any mitigating actions such as the disposal of its assets, price rises or cost cutting

These factors indicate the existence of a material uncertainty that may cast significant doubt as the Company's ability to continue as a going concern.

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 2 Accounting policies (continued)

However, the Directors believe, as outlined above, the Group's current position of strength and mitigating actions that can be employed put it in a strong position in an uncertain market. Therefore, the Directors conclude it appropriate to continue to adopt the going concern principle in preparing the financial statements.

#### Judgements

Development costs for individual development projects are only capitalised as an intangible asset if the criteria to capitalise development expenditure set by FRS 102 Section 18 are met by the project. If the criteria are not met by the project then the development costs are expensed during the year to the profit and loss account.

The Directors review each project individually to assess whether they still comply with the criteria to capitalise development expenditure set by FRS 102 Section 18. If the criteria are no longer met due to new developments or events during the year, then the total capitalised development costs to date for that project are fully impaired. Indicators of impairment can be a rejection of planning permission, a negative outcome from an environmental impact study or if the development costs exceed the forecast future economic benefits.

#### Key sources of estimation uncertainty

##### • Investment impairment

The company makes an estimate of the recoverable value of investments. When assessing impairment of investments, management considers factors including the current net asset value of the investment entity, its projected future cash flows and historical experience. The carrying amount is £30,806,052 (2020 £19,414,431).

##### • Recoverability of loans receivable

The company makes an estimate of the recoverable value of loans receivable from group subsidiaries. When assessing the requirement of any provision, management considers factors including the current net asset value of the investment entity, its projected future cash flows and historical experience. The carrying amount is £41,977,798 (2020 £28,618,036).

##### • Share classification

The shares in Good Energy have remained classed as other listed investments as the presumption of the shares being an associate was rebutted as significant influence could not be demonstrated due to:

- No representation on the board
- No influence over strategic decisions The carrying amount is £11,728,404 (2020 £7,193,161).

#### Revenue recognition

Turnover comprises turnover from the provision of central services functions to fellow group companies. Turnover is recognised in the period in which the services relate.

#### Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income. Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

#### Finance income and costs policy

Interest income and interest payable are recognised in the profit and loss as they accrue on funds invested or borrowed, using the effective interest method.

## **Ecotricity Group Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2021**

#### **2 Accounting policies (continued)**

##### **Foreign currency transactions and balances**

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account unless they arise from the construction of an asset in which case they are capitalised.

##### **Tax**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities and other future taxable profits.

##### **Tangible assets**

Tangible fixed assets, including assets under construction, are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease.

At the end of each financial period, the Company assesses whether tangible fixed assets (including those under finance leases) are impaired.



## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021 <sup>a</sup>

#### 2 Accounting policies (continued)

##### Depreciation

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits. The Company also assesses at each reporting date whether tangible fixed assets are impaired.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

Asset class	Depreciation method and rate
Freehold land and buildings	10 - 50 years
Fixtures, fittings and equipment	3 - 20 years
Motor vehicles	4 years

##### Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

##### Goodwill

Goodwill is amortised over its useful life, which shall not exceed five years if a reliable estimate of the useful life cannot be made.

##### Intangible assets

Intangibles that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Expenditure on internally generated goodwill and brands is recognised in the profit and loss account as an expense as incurred.

##### Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Asset class	Amortisation method and rate
Brand name	15 years
Software	10 years

## **Ecotricity Group Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2021**

#### **2 Accounting policies (continued)**

##### **Investments**

Investments in listed equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss.

Investments in non-listed equity instruments are measured at cost less impairment.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

##### **Trade debtors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

##### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks and other costs in bringing them to their existing location and condition.

##### **Trade creditors**

Trade creditors 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 the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Borrowings**

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 2 Accounting policies (continued)

##### Leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

##### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### Defined contribution pension obligation

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which the services are rendered by employees.

#### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021 £	2020 £
Recharges to fellow group companies	<u>10,108,444</u>	<u>19,051,772</u>

#### 4 Other operating income.

The analysis of the company's other operating income for the year is as follows:

	2021 £	2020 £
Government grants	253,197	19,804
Miscellaneous other operating income	<u>10,891</u>	<u>-</u>
	<u>264,088</u>	<u>19,804</u>

Government grants for the year relate to the Coronavirus Job Retention Scheme to support employees who were put on furlough as a result of COVID-19.

The amount of grants recognised in the financial statements was £253,197 (2020 - £19,804).

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 5 Operating loss

Arrived at after charging/(crediting)

	2021 £	2020 £
Depreciation expense	3,781,641	2,199,597
Amortisation expense	324,710	466,727
Operating lease expense	353,341	450,892
Loss/(profit) on disposal of property, plant and equipment	<u>44,298</u>	<u>(8,000)</u>

#### 6 Other interest receivable and similar income

	2021 £	2020 £
Dividend income	<u>1,184,459</u>	<u>-</u>

#### 7 Interest payable and similar charges

	2021 £	2020 £
Interest on bank overdrafts and borrowings	<u>215,920</u>	<u>159,249</u>

#### 8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021 £	2020 £
Wages and salaries	7,099,605	5,646,940
Social security costs	731,835	844,186
Other short-term employee benefits	<u>422,341</u>	<u>387,495</u>
	<u>8,253,781</u>	<u>6,878,621</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021 No.	2020 No.
Administration and support	<u>134</u>	<u>123</u>

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 9 Directors' remuneration

The remuneration of Directors was borne by the Company in both years and amounts attributable to qualifying services provided to the Company are approximately £599,033 (2020: £808,831) and Company pension contributions made to a money purchase scheme on their behalf are approximately £31,096 (2020: £31,916).

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid Director was £132,943 (2020: £171,770) and company pension contributions of £7,113 (2020: £11,014) were made to a money purchase scheme on their behalf.

#### 10 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	30,000	40,000
<b>Other fees to auditors</b>		
All other non-audit services	-	4,000

#### 11 Taxation

Tax charged/(credited) in the income statement

	2021 £	2020 £
<b>Current taxation</b>	-	-
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	(2,223,148)	(213,325)
Effect of tax rate changes on opening balances	-	(79,886)
Arising from adjustments in respect of prior periods	(89,404)	69,314
	(2,312,552)	(223,897)
Tax credit in the income statement	(2,312,552)	(223,897)

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 11 Taxation (continued)

	2021 £	2020 £
Profit/(loss) before tax	<u>4,736,702</u>	<u>(1,759,164)</u>
Corporation tax at standard rate	899,973	(334,241)
Effect of revenues exempt from taxation	(3,690,236)	(240,914)
Effect of expense not deductible in determining taxable profit (tax loss)	313,075	114,416
Remeasurement of deferred tax for changes in tax rates	-	(79,886)
Adjustments to tax charge in respect of previous periods	(89,404)	75,335
Fixed asset differences	252,577	241,393
Other permanent differences	<u>1,463</u>	<u>-</u>
Total tax credit	<u>(2,312,552)</u>	<u>(223,897)</u>

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. Deferred taxes at the balance sheet date have been measured using this enacted tax rate of 19% and reflected in the financial statements.

In addition, in the March 2021 Budget statement it was announced that the main rate of corporation tax would increase to 25% from 1 April 2023. This announced change was not substantively enacted by the balance sheet date and therefore its effects have not been included within the financial statements.

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 12 Intangible assets

	Brand names £	Software £	Total £
<b>Cost or valuation</b>			
At 1 May 2020	3,330,700	6,380,533	9,711,233
Additions acquired separately	-	8,418,495	8,418,495
Transfers	-	249,601	249,601
At 30 April 2021	<u>3,330,700</u>	<u>15,048,629</u>	<u>18,379,329</u>
<b>Amortisation</b>			
At 1 May 2020	2,739,215	245,025	2,984,240
Amortisation charge	221,807	102,903	324,710
Transfers	-	99,840	99,840
At 30 April 2021	<u>2,961,022</u>	<u>447,768</u>	<u>3,408,790</u>
<b>Carrying amount</b>			
At 30 April 2021	<u>369,678</u>	<u>14,600,861</u>	<u>14,970,539</u>
At 30 April 2020	<u>591,485</u>	<u>6,135,508</u>	<u>6,726,993</u>

**Ecotricity Group Limited**

**Notes to the Financial Statements for the Year Ended 30 April 2021**

**13 Tangible assets**

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Properties under construction £	Total £
<b>Cost or valuation</b>					
At 1 May 2020	7,750,881	18,339,431	247,734	7,250,066	33,588,112
Additions	700,000	338,469	271,129	3,580,842	4,890,440
Disposals	-	(150,653)	-	(921,883)	(1,072,536)
Transfers	4,680,920	(7,311,625)	-	(6,037,391)	(8,668,096)
At 30 April 2021	<u>13,131,801</u>	<u>11,215,622</u>	<u>518,863</u>	<u>3,871,634</u>	<u>28,737,920</u>
<b>Depreciation</b>					
At 1 May 2020	2,568,726	13,927,427	229,005	-	16,725,158
Charge for the year	242,708	3,447,366	91,567	-	3,781,641
Transfers	-	(99,840)	-	-	(99,840)
At 30 April 2021	<u>2,811,434</u>	<u>17,274,953</u>	<u>320,572</u>	<u>-</u>	<u>20,406,959</u>
<b>Carrying amount</b>					
At 30 April 2021	<u>10,320,367</u>	<u>(6,059,331)</u>	<u>198,291</u>	<u>3,871,634</u>	<u>8,330,961</u>
At 30 April 2020	<u>5,182,155</u>	<u>4,412,004</u>	<u>18,729</u>	<u>7,250,066</u>	<u>16,862,954</u>



# Ecotricity Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### 13 Tangible assets (continued)

#### Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2021	2020
	£	£
Motor vehicles	<u>300,340</u>	<u>29,212</u>

### 14 Investments in subsidiaries, joint ventures and associates

	2021	2020
	£	£
Investments in subsidiaries	12,158,849	12,211,270
Listed investments	11,734,263	7,193,161
Investments in associates	6,902,940	-
Other investments	<u>10,000</u>	<u>10,000</u>
	<u>30,806,052</u>	<u>19,414,431</u>
<b>Subsidiaries</b>		£

#### Cost or valuation

At 1 May 2020	25,487,370
Additions	8,866,972
Disposals	(15,292,553)
Transfer to associates	<u>(6,902,940)</u>
At 30 April 2021	<u>12,158,849</u>

#### Provision

At 1 May 2020	13,276,000
Provision	-
Eliminated on disposals	<u>(13,276,000)</u>
At 30 April 2021	<u>-</u>

#### Carrying amount

At 30 April 2021	<u>12,158,849</u>
At 30 April 2020	<u>12,211,370</u>
<b>Listed investments</b>	£

#### Fair value

At 1 May 2020	7,199,020
Fair value adjustments	<u>4,535,243</u>
At 30 April 2021	<u>11,734,263</u>

Fair value is determined using the listed share price as at the balance sheet date.

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 14 Investments in subsidiaries, joint ventures and associates (continued)

Associates	£
<b>Cost</b>	
At 1 May 2020	250,000
Transfers from subsidiaries	<u>6,902,940</u>
At 30 April 2021	<u>7,152,940</u>
<b>Provision</b>	
At 1 May 2020	250,000
Provision	<u>-</u>
At 30 April 2021	<u>250,000</u>
<b>Carrying amount</b>	
At 30 April 2021	<u><u>6,902,940</u></u>
At 30 April 2020	<u><u>-</u></u>

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
<b>Subsidiary undertakings</b>				
Alveston Wind Park Limited*	UK	Ordinary	100%	Wind park
Ballymena Wind Park Limited*	UK	Ordinary	100%	Wind park
Bambers Wind Park Limited*	UK	Ordinary	100%	Wind Park
Bicker Fen Energy Storage Limited*	UK	Ordinary	100%	Dormant
Bristol Port Wind Park Limited*	UK	Ordinary	100%	Wind park
Britwind Limited	UK	Ordinary	100%	Manufacturing
Cardiff Wind Park Limited*	UK	Ordinary	100%	Wind park
Dagenham Wind Park Limited*	UK	Ordinary	100%	Wind park
Dalby Wind Park Limited*	UK	Ordinary	100%	Wind park
Dulater Hill Wind Park Limited*	UK	Ordinary	100%	Dormant
Dundee Merchant Wind Park Limited*	UK	Ordinary	100%	Wind park
Ecotech Wind Park Limited*	UK	Ordinary	100%	Wind park
Ecotricity (Alveston) Limited*	UK	Ordinary	100%	Holding company

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 14 Investments in subsidiaries, joint ventures and associates (continued)

Ecotricity (Berkeley Storage) Limited*	UK	Ordinary	100%	Dormant
Ecotricity (Butts Field) Limited*	UK	Ordinary	100%	Dormant
Ecotricity (Chalton) Limited*	UK	Ordinary	100%	Dormant
Ecotricity (Leechpool) Limited*	UK	Ordinary	100%	Dormant
Ecotricity (Lodge Farm Solar) Limited*	UK	Ordinary	100%	Dormant
Ecotricity (Sparsholt Gasmill) Limited*	UK	Ordinary	100%	Dormant
Ecotricity Generation Limited	UK	Ordinary	100%	Turbine maintenance
Ecotricity Holding Company Limited*	UK	Ordinary	100%	Holding company
Ecotricity Limited	UK	Ordinary	100%	Utilities supplier
Ecotricity Merchant Holdings Limited*	UK	Ordinary	100%	Holding company
Ecotricity Wind and Sun Parks (Holding) Limited*	UK	Ordinary	100%	Holding company
Ecotricity Wind and Sun Parks (Issuing) Limited*	UK	Ordinary	100%	Holding company
Fen Farm Solar Park Limited*	UK	Ordinary	100%	Solar park
Fen Farm Wind Park Limited*	UK	Ordinary	100%	Wind park
Forest Green Sun Company Limited*	UK	Ordinary	100%	Rooftop solar panels
Galsworthy Wind Park Limited*	UK	Ordinary	100%	Wind park
Green Park Wind Park Limited*	UK	Ordinary	100%	Wind park
Heck Fen Wind Park Limited*	UK	Ordinary	75.1%	Wind park
Kings Lynn Wind Park Limited*	UK	Ordinary	100%	Wind park
Lynch Knoll Wind Park Limited*	UK	Ordinary	100%	Wind park
Mablethorpe Wind Park Limited*	UK	Ordinary	100%	Wind park
Merchant Wind Park (East Kilbride) Limited*	UK	Ordinary	100%	Wind park
New Power Company Limited*	UK	Ordinary	100%	Holding company
Next Generation Wind Holdings Limited*	UK	Ordinary	100%	Holding company
Pollington Wind Park Limited*	UK	Ordinary	100%	Wind park
Sandy Wind Turbine Limited*	UK	Ordinary	100%	Wind park
Shooters Bottom Wind Park Limited*	UK	Ordinary	100%	Wind park
Somerton Wind Park Limited*	UK	Ordinary	100%	Wind park

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 14 Investments in subsidiaries, joint ventures and associates (continued)

Swaffham Wind Park Limited*	UK	Ordinary	100%	Wind park
Upper Sonachan Wind Park Limited*	UK	Ordinary	100%	Dormant
Western Windpower Limited	UK	Ordinary	100%	Dormant
Wind Holdings Nord Limited*	UK	Ordinary	100%	Holding company
Worksop Wind Park Limited*	UK	Ordinary	100%	Wind park

#### Associates

The Electric Highway Company Limited	UK	Ordinary	44%	Electric vehicle charging
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\*denotes indirect subsidiary undertakings.

All subsidiary undertakings have their registered office at Lion House, Rowcroft, Stroud, Gloucestershire, GL5 3BY.

During the year the wider group underwent a reconstruction. As a part of this the following transactions occurred:

The Company sold all of its share capital in Forest Green Rovers Football Club Limited and Ecotricity New Ventures Limited to Green Britain Group Limited, the new parent of the wider group.

A subsidiary of the Company sold all of its share capital in The Sky Mining Company Limited to Ecotricity New Ventures Limited, a fellow group undertaking.

The Company increased its indirect share holding from 96.8% in Forest Green Sun Company Limited as a result of a subsidiary purchasing the company from Forest Green Rovers Football Club Limited, a fellow group undertaking.

#### 15 Debtors

	Note	2021 £	2020 £
Trade debtors		7,310	377,062
Amounts owed by related parties	22	41,282,366	28,618,036
Other debtors		435,114	2,238,693
Prepayments		652,796	1,020,361
Accrued income		31,732	-
Taxation and social security		-	2,234,015
Deferred tax assets	11	3,284,793	972,241
Total current trade and other debtors		<u>45,694,111</u>	<u>35,460,408</u>

# Ecotricity Group Limited

## Notes to the Financial Statements for the Year Ended 30 April 2021

### 16 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	-	523,995
Bank overdrafts	(223,355)	-
Cash and cash equivalents	<u>(223,355)</u>	<u>523,995</u>

### 17 Creditors

	Note	2021 £	2020 £
<b>Due within one year</b>			
Loans and borrowings		679,331	385,428
Finance lease liabilities		713,313	379,643
Trade creditors		1,025,005	992,365
Amounts due to related parties	22	98,337,320	86,037,139
Social security and other taxes		2,326,615	1,033,342
Other payables		3,473,003	2,162,223
Accrued expenses		658,328	1,987,078
Income tax liability	11	249,270	249,270
Deferred income		-	45,000
		<u>107,462,185</u>	<u>93,271,488</u>
<b>Due after one year</b>			
Loans and borrowings	20	<u>3,312,773</u>	<u>3,741,183</u>

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 18 Share capital

##### Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £0.01 each	180	1.80	180	1.80

##### Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

to receive dividends from time to time and are entitled to one vote per share at meetings of the Company.

#### 19 Reserves

##### Share capital

The nominal value of the shares that have been issued is recognised in share capital.

##### Share premium

The value that the Company has received for the share capital in excess of the nominal value is recognised in the share premium account.

##### Profit and loss account

The current and prior periods retained profits and losses are recognised in the profit and loss account.

#### 20 Loans and borrowings

	2021	2020
	£	£
<b>Non-current loans and borrowings</b>		
Bank borrowings	3,312,773	3,741,183
	<b>2021</b>	<b>2020</b>
	£	£
<b>Current loans and borrowings</b>		
Bank borrowings	455,976	385,428
Bank overdrafts	223,355	-
Finance lease liabilities	713,313	379,643
	<b>1,392,644</b>	<b>765,071</b>

#### 21 Obligations under leases and hire purchase contracts

##### Finance leases

The total of future minimum lease payments is as follows:

## Ecotricity Group Limited

### Notes to the Financial Statements for the Year Ended 30 April 2021

#### 21 Obligations under leases and hire purchase contracts (continued)

	2021 £	2020 £
Not later than one year	220,036	379,644
Later than one year and not later than five years	493,276	-
	<u>713,312</u>	<u>379,644</u>

#### Operating leases

The total of future minimum lease payments is as follows:

	2021 £	2020 £
Not later than one year	183,303	154,000
Later than one year and not later than five years	83,180	133,000
Later than five years	10,228	-
	<u>276,711</u>	<u>287,000</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £394,527 (2020 - £338,326).

#### 22 Related party transactions

The Company has taken advantage of the exemptions contained in FRS 102.33 and has not disclosed transactions or balances with wholly owned subsidiaries which form part of the Group.

As 30 April 2021, the balance owed from the Company to D Vince is £3,455,105 (2020: £2,134,000 debtor) which is classified in other creditors. The balance is interest-free and is repayable on reasonable demand.

#### Summary of transactions with not wholly owned Group companies

The following other transactions took place between the Company and non-wholly owned subsidiaries but still under control of the ultimate parent company, Green Britain Group Limited.

	Debtors outstanding		Creditors outstanding	
	2021	2020	2021	2020
	£	£	£	£
Other Group undertakings	<u>2,243,184</u>	<u>755,842</u>	<u>151,460</u>	<u>2,695,136</u>

With the exception of the below transactions, all transactions with non-wholly owned subsidiaries were financing transactions rather than the sale or purchase of goods or services.

	Recharges to		Costs incurred	
	2021	2020	2021	2020
	£	£	£	£
Other Group undertakings	<u>242,794</u>	<u>444,721</u>	<u>-</u>	<u>-</u>

#### 23 Parent and ultimate parent undertaking

The Company's immediate parent undertaking is Green Britain Group Limited. The ultimate parent undertaking is Green Britain Group Limited, a Company incorporated in England and Wales. The ultimate controlling party of the Company is D Vince, the only shareholder of Green Britain Group Limited.

## **Ecotricity Group Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2021**

#### **23 Parent and ultimate parent undertaking (continued)**

Prior to 28th August 2020 the Company had no immediate parent undertaking and was the ultimate parent for the wider Group prior to the group reconstruction. The ultimate controlling party of the Company was D Vince who at that point was the only shareholder of Ecotricity Group Limited.

#### **Relationship between entity and parents**

The parent of the largest group in which these financial statements are consolidated is Green Britain Group Limited, incorporated in England and Wales.

The address of Green Britain Group Limited is:  
Lion House, Rowcroft, Stroud, Gloucestershire, England, GL5 3BY

This is also the parent of the smallest group in which these financial statements are consolidated.

#### **24 Non adjusting events after the financial period**

The Company sold the remaining investment in The Electric Highway Company Limited to a third party after the balance sheet date.