

Company Registration No 4194006 (England and Wales)

**GREEN ENERGY (UK) PLC**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2011**

THURSDAY



\*AU5ZHYQD\*

A47

27/10/2011

49

COMPANIES HOUSE

**GREEN ENERGY (UK) PLC**

**COMPANY INFORMATION**

---

<b>Directors</b>	D Stewart Sir Peter Thompson T J Smith
<b>Secretary</b>	Aldbury Secretaries Limited
<b>Company number</b>	4194006
<b>Registered office</b>	Black Swan House 23 Baldock Street Ware SG12 9DH
<b>Auditors</b>	Mercer & Hole Silbury Court, 420 Silbury Boulevard Central Milton Keynes Buckinghamshire MK9 2AF

---

## **GREEN ENERGY (UK) PLC**

### **CONTENTS**

---

	<b>Page</b>
Chairman's statement	1
Chief Executive Officer's statement	2 - 4
Directors' report	5 - 6
Independent auditors' report	7 - 8
Profit and loss account	9
Balance sheet	10
Cash flow statement	11
Notes to the cash flow statement	12
Notes to the financial statements	13 - 21

---

## **GREEN ENERGY (UK) PLC**

### **Chairman's statement**

---

#### **Highlights**

**Turnover up 20% to £7.2M, last year £6.02M**

**Trading profit up 9% to £405K, last year £372K**

**Increase in cash position**

**Continued growth in customer numbers**

Another year of consolidation in tough economic conditions, but a year in which we have continued to grow our customer numbers which has in turn maintained growth in turnover and profits.

It is worth noting that we have trebled customer numbers in the last 4 years. How we achieve that is dealt with in the Chief executives report.

We remain committed to keeping our customers at the core of our business and have maintained our customer loyalty bonus payments at £25 per customer. This is a key element of sharing the success of the business with the customers and at the AGM during the period under review we amended our share structure to better serve those sharing aims.

We have also invested in our staff, adding human resources to outward facing areas of the business and we continue to invest in our people. If we place our customers at the centre of our business, our staff are at the heart of delivering on that objective. Looking after the staff in a responsible way makes them equally important, and ought to maintain their motivation to build on the award winning customer service we deliver.

Energy generation has seen a shift in emphasis over the period as the Feed in Tariff regime introduced at the end of the last financial year, started to gain traction. Despite shortfalls and government rhetoric about the focus on large scale solar, the uptake has been significant and we have taken steps to secure a share of this nascent market.

We have also renegotiated the PPAs that have come up for renewal to date and have sufficient energy to cover our growth plans. Our generator numbers are now in excess of 300.

Can I once again thank all our customers and shareholders for their continued support. You would also wish me to particularly recognise the hard work and dedication of the members of our staff under the leadership of Douglas Stewart without which these improving results would not have been possible.

**Sir Peter Thompson**  
**Chairman**

## **GREEN ENERGY (UK) PLC**

### **Chief Executive Officer's statement**

---

I'm delighted that together we have achieved what we have over the last 12 months

I know Sir Peter is proud of our customer loyalty bonus and I guess it falls to me to explain what we have done to be able to provide it

In the face of austerity measures from the government, a lack of consumer confidence, and a media circus determined to make us feel threatened from all sides, we have quietly and confidently increased our customer numbers, increased our turnover, and while margins have been squeezed we have managed to increase profits while taking no pricing action all year

That, against a backdrop of increasing wholesale energy prices which precipitated price increases from the Big 6

We have continued to invest in the business in terms of people, PR and marketing, and we have upgraded our web and social networking presence

Using word of mouth recommendation our growth of 20% per annum in a recession is commendable. With no external shareholders pressing us for massive growth or an exit strategy we can continue to grow within our cash flows and provide quality energy with quality service from quality generators to quality customers, we think that's a good definition of value

### **BUILDING A GREENER FUTURE**

We continue to sign up new and interesting generators but the Credit Crunch has taken its toll. While FiTs have stimulated the Market the time frames on bigger projects are a little longer and the energy white paper has stalled some as investors await the outcome of what the regulatory regime will look like going forward

That said, we have secured a number of new generation contracts from as diverse sources as ever, Skip Waste, Anaerobic Digestion, and Solar, and one of our existing generators has increased their capacity by installing an additional generation engine

One of the solar contracts merits further mention. We welcomed Western Solar Ltd as a new generator, with the first solar farm to be approved in Pembrokeshire and one of the first in Wales. The Solar Park is a large photovoltaic scheme which contains approximately 8000 PV panels across 12 acres and produces up to 2 mw of electricity per hour. That is twice as much as the local village uses in total per annum!

We have always supported small scale and emerging technologies but we also love a good story and in an industry dominated by global multinationals we love the little guys. Tony Bohana is no ordinary customer and no ordinary generator. He built a generator in his back garden that produces renewable electricity for his home and green electricity for us. Local pubs, cafes, restaurants and takeaways provide the fuel, waste vegetable oil, for his unique domestic power station

Tony, who by day runs his own IT company, says "I was running a car on waste vegetable oil and it occurred to me at the pub that if I could get hold of a cheap engine I could begin making my own electricity. Modern engines could do the job, but because of their high revs you can't have them on all the time or they'd soon start breaking. So my search for a low-rev engine led me to a 1950's Lister. It's a reliable engine usually found on boats working the rivers of old colonial countries, and because they're still making them in India, cheap spare parts are easy to come by in the UK." Tony continues "The Lister produces a lot of heat and needs water to cool it down. I realised that instead of losing this heat energy, which is essentially a waste product from making the electricity, I could use it. I worked out a way to divert the hot water and heat produced by the exhaust to a thermal store, and this keeps our radiators warm and gives us hot water throughout the house."

## **GREEN ENERGY (UK) PLC**

### **Chief Executive Officer's statement**

---

#### **ENERGY SAVINGS TRUST**

It one of the less interesting facts of life that as winter draws in we start to reach for the thermostat and our energy usage goes up. However increasing energy consumption is not part of our mission, quite the reverse, so in order to offer advice we launched an energy saving helpline. It's Freephone and is endorsed by the Energy Saving Trust. It offers callers practical advice on how to save energy, tailored to their individual circumstances.

#### **MARKETING**

We are constantly looking at ways to improve every aspect of our business and it continues to be part of our culture.

During the year we have reviewed the look and feel at our web site and included more video- if you haven't seen the one on the home page it's worth a look, it's only 1 minute but it has its moments! And we have continued to work hard to clarify and simplify our message.

In terms of initiatives, this year saw us join forces with Countrywide. They are the leading supplier of products and services to the rural community, and we offer their customers the opportunity to reduce their carbon footprint by switching to our electricity tariff for their homes or businesses. We have a number of customers and stores already and we are looking forward to working with them in the months and years ahead.

With electric vehicles still very much in their infancy we have created a partnership with a charging post installer Green Motion UK to explore what opportunities this fledgling market may provide for us as a supplier of green energy. They have won a contract with Weymouth council to be involved with the Olympic sailing venue and we hope this will be a springboard into areas of electric car ownership.

We have also entered into other affinity schemes with customers, low carbon groups and a generation partner. These work on varying levels but are a key part of getting our message across to a wider population.

And for one glamorous weekend this July, Wayne and Gerardine Hemingway, green energy customers since 2002, took over the London Southbank Centre for their Vintage Festival celebrating the music, fashion, film, art, design and dance from the 1920s to the 1980s, a time when Britain was the world's creative and cultural hotbed. We were there, involved in a 'retread your threads' event! The synergy might not seem obvious at first but like Vintage we love the idea of breathing new life into something old. Wayne is at the glamorous end of what is referred to as up-cycling, we are down and dirty turning Pig Poo into electricity, but the result is the same - a better use of what some call waste!

#### **GOOD DEEDS**

I mentioned last year we won a National Customer Service Award, Customer Kings sponsored by Cisco Systems. As well as a lot of PR, we also won a cash Prize. Since we won it doing what we pride ourselves on - delivering customer service it was in fact payment for doing our job. So we decided to donate the cash prize to Great Ormond Street Hospital to help them in their bid to develop the greenest possible hospital buildings.

They have a redevelopment programme that will see a space of 20,000 square metres cleared for brand new buildings to house operating theatres and outpatient wards, allowing more children to be treated. The hospital is reducing its carbon emissions year on year and will be creating its own combined heat and power plant. All objectives and technologies we wholeheartedly support, along with the great work they do for children!

## **GREEN ENERGY (UK) PLC**

### **Chief Executive Officer's statement**

---

#### **FUEL MIX**

I think it's a fairly pragmatic energy mix, you can see we don't buy wind in any quantity, but we continue to buy energy from all manner of sources, a lot of it doing something good with what is essentially a (bad) waste product. We are not necessarily an affluent society - perhaps an affluent society would be a better description!!

When talking to people about green energy, I always find myself on the wrong side of the wind debate. I'm amazed how a vociferous minority can produce so many ill informed and anti wind comments. So I am always at pains to point out that green is about more than just wind. Have a look at our energy mix - we are justly proud of the fact it is as diverse as it is and there is no brown energy in our mix.

The Energy White Paper is still out to consultation and while DECC try to get the population to face up to the need for investment much is being blamed on the green sector.

The introduction of Contracts for Difference may well whet the appetite of the investment community but the need for investment is not just a green issue - the distribution system is in need of an update.

We are at last getting close to having an energy policy in the UK, we have a Department of Energy and Climate Change, we have a Minister with a seat at the Cabinet Table, and we have set out a timetable of regulatory tools to bring about a greener energy mix. But it's a tough brief - plentiful secure energy, from sustainable sources that's affordable.

At Green Energy UK, we and our customers are all part of that low carbon economy today.

Maybe we don't want a wind turbine on everyone's front doorstep but you can be green without being renewable. That's why we use this funny stuff called CHP, combined heat and power, a certified low carbon energy source.

It's good common sense, you don't need to be an eco warrior, and we're not. There are lots of ways to bring about change, we've just chosen business.

Thanks for your support and together we ARE making a difference.

**Douglas Stewart**  
**Chief Executive Officer**

## **GREEN ENERGY (UK) PLC**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 30 APRIL 2011**

---

The directors present their report and financial statements for the year ended 30 April 2011

#### **Principal activities and review of the business**

The principal activity of the company is that of domestic and commercial electricity supply

The directors are satisfied with the results for the year and expect significant further growth in the following year

#### **Results and dividends**

The results for the year are set out on page 9

The directors do not recommend payment of an ordinary dividend

#### **Green energy**

The company's policy is to purchase its green electricity only from generators that have been awarded a Climate Change Levy Exemption Certificate after independent verification by OFGEM

#### **Financial instruments**

The main risks arising from the company's activities are credit risk and liquidity risk. These are monitored by the board of directors and were not considered to be significant at the balance sheet date

The company's policy in respect of credit risk is to require appropriate credit checks on potential customers. The company's policy in respect of liquidity risk is to maintain a mixture of short term debt finance and readily accessible bank deposit accounts, to ensure the company has sufficient funds for operations. The cash deposits are held in current accounts which earn interest at a floating rate. Debt is maintained at fixed and floating interest rates

#### **Directors**

The following directors have held office since 1 May 2010

D Stewart

Sir Peter Thompson

T J Smith

#### **Creditor payment policy**

The company will follow its code on payment practice, known as "Bill Code", during the next year. This code is available at our registered office and sets out the company's policy of settling terms of payment with its suppliers when agreeing the terms of transactions and of ensuring suppliers are made aware of them. The company has a successful record of abiding by the terms of "Bill Code" and this is expected to continue

The number of average days purchases of the company represented by trade creditors at 30 April 2011 was 26 days (2010 - 21 days)

#### **Auditors**

The auditors, Mercer & Hole, are deemed to be reappointed under section 487(2) of the Companies Act 2006



**GREEN ENERGY (UK) PLC**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2011**

---

**Statement of directors' responsibilities**

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 period. In preparing these financial statements, the directors are required to

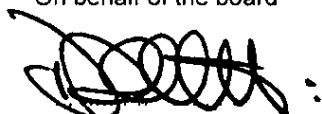
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,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

**Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



D Stewart

Director

21st OCTOBER 2011

## **GREEN ENERGY (UK) PLC**

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE MEMBERS OF GREEN ENERGY (UK) PLC**

---

We have audited the financial statements of Green Energy (UK) Plc for the year ended 30 April 2011 set out on pages 9 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 pages 5 - 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 and express an opinion on 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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on 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 April 2011 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.

**GREEN ENERGY (UK) PLC**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

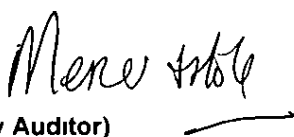
**TO THE MEMBERS OF GREEN ENERGY (UK) PLC**

---

**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



**Paul Maberly (Senior Statutory Auditor)**  
for and on behalf of Mercer & Hole

26 October 2011

**Chartered Accountants**  
**Statutory Auditor**

Silbury Court, 420 Silbury Boulevard  
Central Milton Keynes  
Buckinghamshire  
MK9 2AF

**GREEN ENERGY (UK) PLC****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 APRIL 2011**

	Notes	2011 £	2010 £
<b>Turnover</b>	<b>2</b>	7,187,647	6,018,530
Cost of sales		(5,475,763)	(4,616,365)
<b>Gross profit</b>		1,711,884	1,402,165
Administrative expenses		(1,302,333)	(1,033,861)
<b>Operating profit</b>	<b>3</b>	409,551	368,304
Other interest receivable and similar income	<b>4</b>	1,868	10,221
Interest payable and similar charges	<b>5</b>	(5,561)	(6,148)
<b>Profit on ordinary activities before taxation</b>		405,858	372,377
Tax on profit on ordinary activities	<b>6</b>	(109,875)	(81,756)
<b>Profit for the year</b>	<b>14</b>	295,983	290,621

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

**GREEN ENERGY (UK) PLC**

**BALANCE SHEET**

**AS AT 30 APRIL 2011**

	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Tangible assets	7	70,910		23,073	
Investments	8	50,000		-	
		<u>120,910</u>		<u>23,073</u>	
<b>Current assets</b>					
Debtors	9	1,201,390		1,036,539	
Cash at bank and in hand		674,626		349,807	
		<u>1,876,016</u>		<u>1,386,346</u>	
<b>Creditors amounts falling due within one year</b>	10	<u>(1,252,156)</u>		<u>(962,751)</u>	
<b>Net current assets</b>		<u>623,860</u>		<u>423,595</u>	
<b>Total assets less current liabilities</b>		<u>744,770</u>		<u>446,668</u>	
<b>Creditors amounts falling due after more than one year</b>	11	<u>(101,361)</u>		<u>(99,802)</u>	
		<u>643,409</u>		<u>346,866</u>	
<b>Capital and reserves</b>					
Called up share capital	13	54,505		53,945	
Other reserves	14	569		569	
Profit and loss account	14	588,335		292,352	
<b>Shareholders' funds</b>	15	<u>643,409</u>		<u>346,866</u>	

Approved by the Board and authorised for issue on 21st October 2011

T.J. Smith

T J Smith  
Director

D Stewart

D Stewart  
Director

Company Registration No 4194006

**GREEN ENERGY (UK) PLC**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30 APRIL 2011**

	£	2011 £	£	2010 £
<b>Net cash inflow from operating activities</b>		518,535		466,942
<b>Returns on investments and servicing of finance</b>				
Interest received	1,868		10,221	
Interest paid	(5,561)		(5,690)	
<b>Net cash (outflow)/inflow for returns on investments and servicing of finance</b>		(3,693)		4,531
<b>Taxation</b>		(81,756)		(33,678)
<b>Capital expenditure and financial investment</b>				
Payments to acquire tangible assets	(62,618)		(10,776)	
Payments to acquire investments	(50,000)		-	
<b>Net cash outflow for capital expenditure</b>		(112,618)		(10,776)
<b>Net cash inflow before management of liquid resources and financing</b>		320,468		427,019
<b>Financing</b>				
Issue of ordinary share capital	560		250	
Other new long term loans	1,559		-	
Repayment of other long term loans	-		(181,616)	
<b>Net cash inflow/(outflow) from financing</b>		2,119		(181,366)
<b>Increase in cash in the year</b>		322,587		245,653

**GREEN ENERGY (UK) PLC**

**NOTES TO THE CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30 APRIL 2011**

1	Reconciliation of operating profit to net cash inflow from operating activities	2011	2010
		£	£
	Operating profit	409,551	368,304
	Depreciation of tangible assets	14,781	14,824
	Increase in debtors	(164,851)	(48,516)
	Increase in creditors within one year	259,054	132,330
	<b>Net cash inflow from operating activities</b>	<b>518,535</b>	<b>466,942</b>

2	Analysis of net funds	1 May 2010	Cash flow	Other non-cash changes	30 April 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	349,807	324,819	-	674,626
	Bank overdrafts	-	(2,232)	-	(2,232)
		<u>349,807</u>	<u>322,587</u>	<u>-</u>	<u>672,394</u>
	Bank deposits	-	-	-	-
	Debt				
	Debts falling due after one year	(99,802)	(1,559)	-	(101,361)
	<b>Net funds</b>	<b>250,005</b>	<b>321,028</b>	<b>-</b>	<b>571,033</b>

3	Reconciliation of net cash flow to movement in net funds	2011	2010
		£	£
	Increase in cash in the year	322,587	245,653
	Cash (inflow)/outflow from (increase)/decrease in debt	(1,559)	181,616
	<b>Movement in net funds in the year</b>	<b>321,028</b>	<b>427,269</b>
	Opening net funds/(debt)	250,005	(177,264)
	<b>Closing net funds</b>	<b>571,033</b>	<b>250,005</b>

# GREEN ENERGY (UK) PLC

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2011

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### 1.3 Turnover and Revenue Recognition

Revenue comprises revenue from the sale of electricity to commercial and domestic customers. Revenue excludes Value Added Tax. Revenue from the sale of electricity to commercial and domestic customers is recognised when earned on the basis of a contractual agreement with the customer. It reflects the value of the volume supplied, including an estimated value of the volume supplied to customers, between the date of their last meter reading and the year end.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Over the life of the lease
Plant and machinery	33 33% straight line
Computer equipment	33 33% straight line
Fixtures, fittings & equipment	20% straight line

#### 1.5 Leasing

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

#### 1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 1.9 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 405 (2) of the Companies Act 2006 as the directors consider subsidiary's results are not material.



**GREEN ENERGY (UK) PLC****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2011****2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

**3 Operating profit**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging		
Depreciation of tangible assets	14,781	14,824
Auditors' remuneration the audit of these financial statements	9,000	9,000
- Taxation	1,500	1,500
- Other services	4,524	13,675

**4 Investment income**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank interest	1,868	221
Other interest	-	10,000

**5 Interest payable**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	-	32
Other interest	5,561	6,116

**GREEN ENERGY (UK) PLC**

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

**FOR THE YEAR ENDED 30 APRIL 2011**

<b>6</b>	<b>Taxation</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	110,000	81,756
	Adjustment for prior years	(125)	-
	<b>Total current tax</b>	<b>109,875</b>	<b>81,756</b>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	405,858	372,377
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 27.84% (2010 - 21.00%)	112,991	78,199
	Effects of		
	Non deductible expenses	6,369	1,246
	Depreciation add back	4,115	3,113
	Capital allowances	(7,775)	(2,615)
	Margin relief	(5,825)	-
	Other tax adjustments	-	1,813
		<b>(3,116)</b>	<b>3,557</b>
	<b>Current tax charge for the year</b>	<b>109,875</b>	<b>81,756</b>

**GREEN ENERGY (UK) PLC**

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

**FOR THE YEAR ENDED 30 APRIL 2011**

**7 Tangible fixed assets**

	Land and buildings Leasehold £	Computer Equipment £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 May 2010	-	56,524	9,398	65,922
Additions	52,873	9,745	-	62,618
At 30 April 2011	52,873	66,269	9,398	128,540
<b>Depreciation</b>				
At 1 May 2010	-	36,759	6,090	42,849
Charge for the year	-	13,529	1,252	14,781
At 30 April 2011	-	50,288	7,342	57,630
<b>Net book value</b>				
At 30 April 2011	52,873	15,981	2,056	70,910
At 30 April 2010	-	19,765	3,308	23,073

**GREEN ENERGY (UK) PLC**

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

**FOR THE YEAR ENDED 30 APRIL 2011**

**8 Fixed asset investments**

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 May 2010	-
Additions	50,000
	<hr/>
At 30 April 2011	50,000
	<hr/>
<b>Net book value</b>	
At 30 April 2011	50,000
	<hr/> <hr/>

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
<b>Subsidiary undertakings</b>			
Garsington Energy Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves 1	Profit for the year
Garsington Energy Limited	-	-
	<hr/> <hr/>	<hr/> <hr/>

The accounts of Garsington Energy Limited have not been consolidated with those of the Company as the directors consider that the amounts involved are not material

<b>9 Debtors</b>	<b>2011</b> £	<b>2010</b> £
Trade debtors	53,299	17,865
Other debtors	887,099	785,251
Prepayments and accrued income	260,992	233,423
	<hr/>	<hr/>
	1,201,390	1,036,539
	<hr/> <hr/>	<hr/> <hr/>

**GREEN ENERGY (UK) PLC**

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

**FOR THE YEAR ENDED 30 APRIL 2011**

<b>10 Creditors amounts falling due within one year</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	2,232	-
Trade creditors	630,044	476,797
Corporation tax	110,000	81,881
Other taxes and social security costs	33,647	16,002
Directors' current accounts	441	441
Accruals and deferred income	475,792	387,630
	<u>1,252,156</u>	<u>962,751</u>

<b>11 Creditors amounts falling due after more than one year</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Other loans	<u>101,361</u>	<u>99,802</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	<u>101,361</u>	<u>99,802</u>
	<u>101,361</u>	<u>99,802</u>
<b>Loan maturity analysis</b>		
In more than two years but not more than five years	<u>101,361</u>	<u>99,802</u>

The other loan of £101,361 (2010 99,802) is secured over the assets of the company. The loan is wholly repayable within five years. Interest is payable on the loan at a rate of 5% over the Bank of England base rate.

**12 Pension and other post-retirement benefit commitments**  
**Defined contribution**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	<u>34,433</u>	<u>19,500</u>

**GREEN ENERGY (UK) PLC**

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

**FOR THE YEAR ENDED 30 APRIL 2011**

<b>13 Share capital</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
'A' Ordinary shares of £0.001 each	53,626	53,626
'B' Ordinary shares of £0.001 each	379	319
'D' Ordinary shares of £0.001 each	500	-
	<u>54,505</u>	<u>53,945</u>

During the year Nil (2010: 81,000) 'A' Ordinary shares of £0.001 each, 60,000 (2010: 169,000) 'B' Ordinary shares of £0.001 each and 500,000 (2010: Nil) 'D' Ordinary shares of £0.001 each were allotted and fully paid at par for cash consideration 560 (2010: 250) 'B' Ordinary shares were converted into 'A' Ordinary shares Nil (2010: Nil) 'B' Ordinary shares of £0.001 each were redeemed

'B' Ordinary shares have been set aside for issue to customers. The first 1,000 customers will receive 1,000 'B' Ordinary shares of £0.001 each, and the first 100,000 customers will receive 400 'B' Ordinary shares of £0.001 each. The directors may, at their discretion, issue an additional 1,000 shares to customers they deem to be key to the business.

'B' Ordinary shares will automatically convert into 'A' Ordinary shares three and a half years after their allotment.

If the customer does not remain a customer of the company for three consecutive calendar years after the date of allotment, 'B' Ordinary shares will be redeemed, at the option of the company, for a total of £0.01 for the customer's entire shareholding.

The directors are personally responsible to pay up in full, the nominal value of customers' 'B' Ordinary shares as and when they are allotted, without recourse to the customer. The directors will have no rights over the customer shares.

'A' Ordinary shares and 'B' Ordinary shares rank *pari passu* in respect of the distribution of profits. The rights of each class of share vary and full details of these are outlined in the company's Articles of Association. Unlike the holders of 'A' Ordinary shares, the 'B' Ordinary shareholders have no rights to receive any monies on the winding up of the company.

'D' Ordinary shares hold a nominal value of £0.001 each. 'D' Ordinary shares will be automatically converted into 'C' Ordinary shares on the earliest of the following:

three and a half years after their allotment or when a successful offer to purchase a 90% or more of the issued equity share capital of the company is completed.

'C' Ordinary shares resulting from the conversion will rank from the date of conversion *pari passu* in all respects with any other 'C' Ordinary share.

'D' Ordinary shares will be redeemed at the option of the company by written notice to the holder of the shares to be redeemed subject to the Companies Act 2006 for a total of one pence for the holder's entire holding of 'D' Ordinary shares.

'C' Ordinary shares and 'D' Ordinary shares will not be entitled to participate in the distribution of profits.

**GREEN ENERGY (UK) PLC**

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

**FOR THE YEAR ENDED 30 APRIL 2011**

**14 Statement of movements on reserves**

	Other reserves (see below) £	Profit and loss account £
Balance at 1 May 2010	569	292,352
Profit for the year	-	295,983
	<u>569</u>	<u>588,335</u>
Balance at 30 April 2011	<u>569</u>	<u>588,335</u>
<b>Other reserves</b>		
<b>Capital redemption reserve</b>		
Balance at 1 May 2010 & at 30 April 2011	<u>569</u>	

**15 Reconciliation of movements in shareholders' funds**

	2011 £	2010 £
Profit for the financial year	295,983	290,621
Proceeds from issue of shares	560	250
	<u>296,543</u>	<u>290,871</u>
Net addition to shareholders' funds	296,543	290,871
Opening shareholders' funds	346,866	55,995
	<u>643,409</u>	<u>346,866</u>
Closing shareholders' funds	<u>643,409</u>	<u>346,866</u>

**16 Financial commitments**

At 30 April 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2012

	Land and buildings 2011 £	2010 £
Operating leases which expire		
Within one year	10,792	-
In over five years	25,000	18,500
	<u>35,792</u>	<u>18,500</u>

The Company is committed to purchase electric power under various short and long-term electricity supply contracts. At 30 April 2011 the estimated annual commitment for the purchase of electricity under all these contracts totalled £3 million (2010 £2 million)

**GREEN ENERGY (UK) PLC**

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

**FOR THE YEAR ENDED 30 APRIL 2011**

<b>17 Directors' remuneration</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	354,512	332,026
Company pension contributions to defined contribution schemes	27,950	19,500
	<u>382,462</u>	<u>351,526</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2010 - 2)

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	166,666	178,333
Company pension contributions to defined contribution schemes	15,350	10,800
	<u>182,016</u>	<u>189,133</u>

**18 Employees**

**Number of employees**

The average monthly number of employees (including directors) during the year was

	<b>2011</b>	<b>2010</b>
	<b>Number</b>	<b>Number</b>
Number of employees	<u>15</u>	<u>14</u>

**Employment costs**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	684,629	580,959
Social security costs	77,811	64,366
Other pension costs	34,433	19,500
	<u>796,873</u>	<u>664,825</u>

**19 Control**

The company is controlled by the board of directors