Company registration number 04194006 (England and Wales)

GREEN ENERGY (UK) LIMITED

(FORMERLY GREEN ENERGY (UK) PLC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

GREEN ENERGY (UK) LIMITED
(FORMERLY GREEN ENERGY (UK) PLC)
COMPANY INFORMATION

Directors	D C Stewart T J Smith C K Crossley Cooke L D Boland
Secretary	Aldbury Associates Limited
Company number	04194006
Registered office	Black Swan House 23 Baldock Street Ware Hertfordshire SG12 9DH
Auditor	Mercer & Hole LLP 72 London Road St Albans Herts AL1 1NS

CONTENTS

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 30 APRIL 2022

Turnover increased to £28.7 million from £20.8 million

Profit up to £514k from £499k

This is a good set of results in what were very challenging circumstances

The increase in turnover is largely driven by an increase in commercial revenues post COVID and partly as a result of the increase in wholesale commodity prices. It also reflects a few significant wins in the commercial market.

This increase translates to an increase in profitability, helped by our hedging strategy which reduced our exposure to the market volatility that put the energy supply market and many of its participants into meltdown last year.

Our business continues to mirror the challenging environment energy supply has become during the 2020s with increased regulatory oversight in the wake of continued supplier failures.

Most significantly, the largest supplier to date to go into administration, Bulb Energy, was deemed so big that Ofgem invoked its Special Administration Regime to manage the company out of the difficulties in which it found itself. At present there seems to be no buyers for the business

We maintain our position as the only supplier with a 100% renewable electricity and 100% green gas proposition.

Its been another 'interesting' 12 months and we look forward to a more positive post covid post Ukraine environment when it comes

C K Crossley Cooke
Chairman

12 October 2022

GREEN ENERGY (UK) LIMITED
(FORMERLY GREEN ENERGY (UK) PLC)
CHIEF EXECUTIVE OFFICER'S STATEMENT

FOR THE YEAR ENDED 30 APRIL 2022

This year's results show an increase in both turnover and profitability reflecting the benefits of our business model and risk-averse hedging strategy, in the face of very strong headwinds and rising commodity prices.

As the financial year began, our hedging strategy gave us the opportunity to target customer acquisition and our customer numbers continued to grow until the final quarter of 2021 when the switching market came to a shuddering halt, but not before we had made significant volume gains in the commercial sector, alongside growth in an increasingly environmentally aware domestic market. That is reflected in the turnover and profit numbers.

As the year has turned out, it is an extremely good set of results against the background of turmoil that has depicted the energy sector this year and once again put us at the top of the political agenda.

After a prolonged period of benign wholesale costs, multiple circumstances brought about rising risks and commodity prices which were manifested in tariff pricing. The price cap introduced by Theresa May's outgoing administration began to increase, making it appear that the government was increasing energy prices when in fact global influences were behind the uplift. No matter the reason, the energy supply industry took the blame in the summer of 2021 and imploded with a meltdown of suppliers prior to the escalating issues in Ukraine taking centre stage.

As I sat down to write this report for the period under review, I was reminded of an off-the-cuff remark from a friend who runs a business at the mercy of a number of commodity markets worldwide including energy, -

'What next? How many challenging years can one industry take?'

That exact sentiment applies to us as I look back at the previous years' reports declaring the challenges we have faced, but that there was light at the end of the tunnel.

Unfortunately for many energy suppliers in 2021 that light was an oncoming train!

We lost over half of the market's participants and a supplier so large, in Bulb, that the government had to implement their Special Administration Program which brought back recollections of bailing out the banks in the financial crisis of 2008.

Not all the tribulations experienced in the period under review could have been avoided, but much was foreseeable and as a direct result of energy policy (or a lack of it) and a pursuit of 'competition at any price'.

My views on the savings that were pedalled by the establishment, regarding 'Rip-Off Britain' and 'Switch to the cheapest supplier', are well documented and came home to roost in 2021 and we are all paying the price, to recover the exceptional costs of supplier failure.

The measures to address the so-called £1.2 billion of consumer detriment highlighted in the Competitions and Markets Authority (CMA) report in June 2016, is estimated to have cost over £5 billion and counting.

So, in the period under review, we have experienced the ongoing COVID pandemic, the economic after-effects of Brexit, benign wholesale markets turning viciously volatile due to a significant post-pandemic growth in demand, once in a lifetime weather conditions and gas reserves shortages.

And that was just the first 6 months.....

We then had the additional stress of failing suppliers, a lack of public goodwill and the additional strain on the system brought about by the tension on the Ukraine Russia border which spilled into a full-scale incursion in February. The resultant sanctions introduced by the West against Russia gave rise to retaliatory threats surrounding oil and gas supplies to Europe.

It has been encapsulated as an ongoing ‘energy crisis' which started in the summer of 2021, was still with us as we ended our financial year in April 2022 and continues to trouble us as I write this report.

It feels as though we have been wading through treacle for much of the year, but how has it impacted the business directly?

Some of the strategic decisions we took at the start of the pandemic remain relevant today, but for different reasons; we have left in place certain elements of our customer service activities and credit control processes. The outcome of all the turmoil is a very conservative (with a small c) industry where counter parties are keen to protect themselves from further exposure to risks and company failures. That in turn has led to tighter credit policies within the market which makes life tougher for everyone.

The massive increase in wholesale energy costs that has had to be passed on to consumers is causing a credit-crunch all of its own in the domestic energy market and once again, the suggestion is that suppliers are taking advantage. They are not!

The increases result from wholesale market volatility and rising prices from an imbalance in supply and demand. While we have formally left the EU, the European energy market is highly integrated and as a result the effects were felt Europe-wide!

There will be households who will find it difficult to cope with the April increase alongside other increases in the cost of living, and this will require the industry to engage more proactively with those most in need in a bid to offer help and assistance in the short term. Government intervention has been announced and revised as the market continues to reflect the cost of weaning Europe off Russian energy

But the cost of energy equally means a sharper focus on general cash management and credit control within the business to ensure we remain in control and robust in what continues to be a challenging market.

Government has also responded to the crisis with an energy security strategy

While there are long term solutions included in the strategy, what was disappointing and notably absent was any mention of demand-side measures; by which I mean insulation and managing consumption.

The Government scored a glaring own goal by ignoring the effects a ‘Save it' campaign, similar to the one during the 70's three-day week crisis, could have had. This would not only have addressed the immediate shock of the increased prices but would have had long term benefits that would have assisted us toward the net zero 2050 targets.

A fundamental shift in the collective attitude to wasting energy, similar to that experienced towards drink-driving and smoking, would have paid massive dividends both financially and strategically for us all.

Energy retail remains a tough and competitive market and the wholesale costs experienced have forced consumer tariff increases.

Over the 21 years we have been in business, in times of rising wholesale prices, we have seen time and again the wrath of the establishment channelled at energy suppliers as if they were somehow responsible for increased prices, rather than being the barometer of global wholesale market.

While we purchase only renewable electricity, around 40% of the UK's electricity is generated by gas-fired power stations, so the current rise comes from surging prices for natural gas which in turn dictates the marginal cost of electricity.

Unusually cold winters around the world in 2020/21 had pushed up prices and led as a result to fierce competition for gas. This in turn forced some countries to turn to their gas reserves. While gas consumption had fallen as temperatures rose, prices remained high as countries tried to replenish their depleted stocks for the 2021/22 winter ahead.

Electricity capacity margins in the UK remained tight last year caused by unexpected outages of nuclear and gas-fired power stations. With Hinkley Point C, not scheduled to come online until 2026, half the nuclear capacity closing by 2024 and a pulling forward of the closure of coal fired power stations at the same time, tight capacity margins kept power prices high.

None of which is in the control of the energy suppliers who serve domestic and business users in the UK.

And that was before Russia invaded Ukraine!

Our own Government had insisted there is no need to store natural gas because as a fuel it would ultimately be phased out and the global and integrated nature of the market meant we would have access to plentiful supplies and prices would not be affected. That key security decision was wrong on so many levels and is now being revisited.

Ofgem's price cap goes some way to mitigating price increases, but it was really conceived to protect bill-payers from unfair pricing practices.

As constructed, it is insufficiently dynamic and therefore reflects historic prices, not current ones; it also does not really protect the vulnerable from price rises.

IT SIMPLY DELAYS THEM

If we really want to eradicate fuel poverty in the UK, painting the energy industry as the villain of the piece is the wrong strategy. Ofgem should be working with the government to improve home insulation and in turn help those worst affected by rising utility debts.

Which means a lack of such initiatives in the UK Government's Energy Strategy published in April 22 will merely serve to exacerbate the issue for those most in need.

Without this change in policy direction, wholesale energy increases will continue to be passed to those least able to meet rising costs, more of the vulnerable will remain cold during winter and become a further burden on the health service with likely respiratory illness. We have suggested radical policies such as GPs prescribing help with energy bills on the NHS in the past, who knows, it may become a positive legacy of Covid.

Last year I finished by saying: -

'Let's hope by the time I sit down to write next year's report we'll be saying Covid what.....?'

I never dreamt the watch word to replace it would be a 'War'!

Not seeking to minimise the human tragedy that has unfolded in Ukraine, the effects of the politics of the region have been felt and continue to be felt economically around the world.

Energy has been centre stage since Russia is rich in reserves of gas and oil, and their reaction to the economic sanctions place on them by the west has been felt most in the spiralling price of energy.

Ofgem's response to the mayhem in the market has been to express concern for the resilience of the suppliers left standing and to stress test us.

We continue to operate a risk-averse strategy and buy ahead to avoid being exposed to daily movements in the wholesale energy markets.

It has been difficult, not least in maintaining the trusted relationship we have with our customers in the face of the once-in-a-generation circumstances that have led to the significant price increases.

Our hedging strategy had allowed us to protect our existing customers from the full force of the rising wholesale market and was sufficiently long to allow us to take new customers at competitive pricing.

As I said at the top, before the invasion of Ukraine, we had established a marketing strategy that was attracting new customers and increasing our customer numbers and we stand ready to resume those activities at the end of the conflict.

I feel, having covered the tragic events in the Ukraine, I ought to try to close on an upbeat note.

I was drawn to an article in the news recently highlighting that the world's first zero emissions transatlantic flight is expected to take place in 2023.

When the government came out with its 10-point plan in November 2020, it mentioned Jet Zero and I think I referred to it (no pun intended) as Blue-Sky thinking.

Well, it's happening; SAF (Sustainable Aviation Fuel) is a step towards non combustion flight, and our ability to frequent the far-flung corners of this global village without increasing damaging greenhouse gas emissions; the guilt free holiday!

So, we'll watch this space and hope that the aviation sector makes the same environmental progress over the coming decades as the energy sector has since we started in 2001!

I always end by thanking the dedicated people who make up Green Energy UK and after enduring another difficult year those thanks are all the more important. I hope our ever-patient customers have found them helpful throughout the last 12 months, and continue to cut them the slack they deserve in difficult times.

Thank you too, to our loyal customers who showed patience and understanding while we felt our way through the uncharted territory of a 'once-in-a-generation' commodity price increases and the effects of a war in Europe that most of us thought we'd never see again.

Let's hope by next year the world might have returned to a more acceptable form of normal.

D Stewart
Chief Executive Officer

12 October 2022

The directors present the strategic report for the year ended 30 April 2022.

Fair review of the business

Highlights include:

- Turnover up 38.2% at £28.7m, last year £20.8m
- Profit up by 3% from £499k to £514k

The company has continued to perform well throughout the year with a strong growth in turnover and margins have recovered, leading to an increase in profits for this year.
The company has focused on maintaining the strength of its balance sheet and has been able to improve its credit position.

Full details of the company's performance and future developments can be found in the Chief Executive Officer's Statement.

Principal risks and uncertainties

Principal risks and uncertainties facing the company are outlined below:

Energy price volatility

The company's turnover from energy sales may be affected by fluctuations in wholesale electricity and gas prices. The company has adopted a cautious strategy to mitigate this whereby forward hedges for power are secured to fix wholesale prices. During the reporting year the long term hedge that was purchased in the previous year which yielded slightly higher prices increased pressure on margins but reflected the company's risk adverse strategy.

Balancing Risk

The company manages its risk by using short, medium and long term volume forecasts to allow it to buy a mixture of short, medium and long term hedges. This gives certainty to the wholesale price of electricity and gas but does create the risk of imbalance charges if there is a significant change both up and down in total customer volumes.

The company pro-actively seeks to grow at a steady rate to mitigate this risk and ensure a smooth and controlled growth in customer numbers.

Section 172 statement

The directors take their duties and responsibilities for managing the company seriously. In addition to the corporate governance principles adopted as outlined in the Directors' report of these financial statements the directors have applied the requirements of section 172.

In considering the likely long-term consequences of any strategic decisions they make, the directors recognise their understanding of the business and the evolving environment in which the company operates is critical. Through their day to day involvement in the business, the directors are able to keep pace with the changes and challenges faced and can ensure this is incorporated into their strategic plans.

By providing a safe and secure working environment for employees, contractors and local stakeholders, the directors are mindful that the company's employees are fundamental and core to the business and delivery of the Board's strategic plans. The success of the business depends on attracting, retaining and motivating employees. Delivering the strategy also requires good relationships with suppliers, customers, governments and local communities and the directors work continuously to achieve this.

In order to maintain the company's reputation for high standards of business conduct the directors review and approve clear plans, policies and frameworks periodically, such as Code of Conduct and specific ethics and compliance directives so they can ensure that those high standards are maintained across all relationships, internally and externally. This is complemented by the way the directors monitor ongoing changes with governance standards and adapt the company's policies and procedures to reflect those that are relevant to the size of the business.

Finally, the directors recognise their role is key through not just their words but their own actions in ensuring the desired culture is embedded in the values, attitudes and behaviours the company demonstrates through its external activities and stakeholder relationships.

On behalf of the board

D C Stewart
Director

12 October 2022

FOR THE YEAR ENDED 30 APRIL 2022

The directors present their annual report and financial statements for the year ended 30 April 2022.

Principal activities

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

The company re-registered as a private limited company on 21 July 2021.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D C Stewart
T J Smith
C K Crossley Cooke
L D Boland

Results and dividends

The results for the year are set out on page 15.

The directors do not recommend payment of an ordinary dividend.

Financial instruments

Commodity price risk

The company's operations results in exposure to fluctuations in electricity and gas prices. Management monitors electricity and gas prices and analyses supply and demand volumes to manage exposure to this risk. The company has entered into forward contracts in order to mitigate some of its exposure to these fluctuations.

If the wholesale market moves significantly up or down, the price risk to the company will depend on a number of factors including the excess or deficiency of power being supplied by Renewable Power Purchase contracts in place at the time. The company may be required to pass on the price risk to customers. Retail prices can be amended with 30 days advance notification to customers. Management closely monitors wholesale market movements and assesses trends in order to take action when necessary.

Liquidity risk

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.

Credit risk

The company's exposure to credit risk arises from amounts due from customers.The company's policy in respect of credit risk is to require appropriate credit checks on potential customers and to provide for doubtful debts based on estimated irrecoverable amounts determined by reference to specific circumstances and past default experience. At the balance sheet date the directors have provided for all known specific doubtful debts and believe that there is no further credit risk.

Green energy

The company's policy is to purchase it's green electricity only from fully renewable generators. Green gas is only purchased with an associated green gas certificate.

Auditor

The company's auditor, Mercer & Hole, incorporated on 1 October 2022 to become Mercer & Hole LLP. The directors have consented to treating the incorporation of Mercer & Hole LLP as a continuation of the existing audit arrangement and in accordance with the company's articles, a resolution proposing that Mercer & Hole LLP be reappointed as auditor of the company will be put at a General Meeting.

Corporate governance

Green Energy (UK) Limited has always been committed to high standards of corporate governance and acknowledges the importance of customers, shareholders and 'doing the right thing' and places them at the heart of the business.

Whilst we are owned by our customers, we are not signed up to any specific industry or corporate governance codes as we do not believe they are appropriate for a business our size but work to a number of overarching principles:

Establish a strategy and business model which promotes long-term value

Green Energy does what it says on the tin, and has an environmental agenda, so it works to values as well as commercial objectives

In establishing Green Energy's strategy, the Board considers the company's role in facilitating a clean energy future as we move towards net zero in 2050. As part of this strategy all our energy is certificated and we do NOT carbon offset.

Maintain the Board as a well-functioning, balanced team led by the Chairman

The roles of Chairman and Chief Executive have always been split with the Chairman acting in a non-executive capacity.

The Executive Directors are accountable to the Board for the operating and financial performance of the company.

At the end of the reporting period, the Board comprised the Chairman, Chief Executive Officer, Chief Financial Officer and a second Non-Executive Director, who the Board considers to be independent.

The Board is satisfied that it currently has a sufficient range of relevant operational and financial experience to be able to discharge its responsibilities.

Promote a corporate culture that is based on ethical values

The company's employment policies follow best practice based on equal opportunities for all employees, irrespective of race, gender, nationality, sexual orientation, disability, marital status, religion or age. All decisions relating to employment are objective, free from bias and based upon work criteria and individual merit.

Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

Shareholders

Green Energy has an eclectic shareholder base and communicates with them predominantly through newsletters the annual report which is a colourful and engaging document rather than the dry annual accounts of most businesses and at the AGM which shareholders are encouraged to attend.

Customers

Updating customers are kept up to date through newsletters, our social media presence and our website www.greenenergyuk.com

We seek Trustpilot reviews after customers have been with the company for at least 6 months

Policy-makers and regulators

Maintaining a constructive dialogue with policymakers on matters relevant to Green Energy's current operations;

Regular engagement with the energy regulator, Ofgem, both bilaterally as well as through public consultations and industry forums; and

Selective participation in industry groups associated with Green Energy's purpose, values and strategy.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor 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 C Stewart
Director

12 October 2022

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 APRIL 2022

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 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.

TO THE MEMBERS OF GREEN ENERGY (UK) LIMITED

Opinion

We have audited the financial statements of Green Energy (UK) Limited (the 'company') for the year ended 30 April 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 2022 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

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

TO THE MEMBERS OF GREEN ENERGY (UK) LIMITED

Matters on which we are required to report by exception
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 strategic report or the directors' report. 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 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
As explained more fully in the directors' responsibilities statement, 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches arising from the company's Electricity and Gas operating licences, the Office of Gas and Electricity Markets (OFGEM) regulations and General Data Protection Regulations, and we considered the extent to which non-compliance may have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and taxation legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to understate revenue or overstate expenditure, and management bias in accounting estimates.

Audit procedures performed by the engagement team included:
- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- evaluation of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- challenging assumptions and judgements made by management in its significant accounting estimates;
- identifying and testing journal entries.

TO THE MEMBERS OF GREEN ENERGY (UK) LIMITED

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Paul Maberly FCA (Senior Statutory Auditor)
For and on behalf of Mercer & Hole LLP

12 October 2022

Chartered Accountants
Statutory Auditor

72 London Road
St Albans
Herts
AL1 1NS

GREEN ENERGY (UK) LIMITED
(FORMERLY GREEN ENERGY (UK) PLC)
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 £	2021 £
Turnover	3	28,723,702	20,789,553
Cost of sales		(24,231,049)	(16,809,285)
Gross profit		4,492,653	3,980,268
Administrative expenses		(4,023,145)	(3,494,543)
Other operating income		6,228	14,142
Operating profit	4	475,736	499,867
Interest receivable and similar income	8	2,373	3,675
Interest payable and similar expenses	9	(3,586)	(4,974)
Amounts written off investments	10	39,663	-
Profit before taxation		514,186	498,568
Tax on profit	11	(125,814)	(97,879)
Profit for the financial year		388,372	400,689

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

GREEN ENERGY (UK) LIMITED
(FORMERLY GREEN ENERGY (UK) PLC)
BALANCE SHEET

AS AT 30 APRIL 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	**12**		49,999		49,999
Tangible assets	**13**		513,266		417,581
Investments	**14**		15,005		50,006
			578,270		517,586
Current assets					
Debtors	**17**	6,344,226		3,915,618	
Cash at bank and in hand		3,972,897		4,674,223	
		10,317,123		8,589,841	
Creditors: amounts falling due within one year	**18**	(6,872,291)		(5,552,507)	
Net current assets			3,444,832		3,037,334
Total assets less current liabilities			4,023,102		3,554,920
Creditors: amounts falling due after more than one year	**19**		(122,877)		(86,091)
Provisions for liabilities					
Deferred tax liability	**22**	95,932		52,908	
			(95,932)		(52,908)
Net assets			3,804,293		3,415,921
Capital and reserves					
Called up share capital	**24**		37,131		37,131
Capital redemption reserve	**25**		20,887		20,887
Profit and loss reserves	**25**		3,746,275		3,357,903
Total equity			3,804,293		3,415,921

The financial statements were approved by the board of directors and authorised for issue on 12 October 2022 and are signed on its behalf by:

D C Stewart
Director

T J Smith
Director

Company Registration No. 04194006

GREEN ENERGY (UK) LIMITED
(FORMERLY GREEN ENERGY (UK) PLC)
STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2022

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 May 2020		57,433	585	3,627,180	3,685,198
Year ended 30 April 2021:					
Profit and total comprehensive income for the year		-	-	400,689	400,689
Redemption of shares	**24**	(20,302)	20,302	(669,966)	(669,966)
Balance at 30 April 2021		37,131	20,887	3,357,903	3,415,921
Year ended 30 April 2022:					
Profit and total comprehensive income for the year		-	-	388,372	388,372
Balance at 30 April 2022		37,131	20,887	3,746,275	3,804,293

GREEN ENERGY (UK) LIMITED
(FORMERLY GREEN ENERGY (UK) PLC)
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**31**		(638,540)		966,011
Interest paid			(3,586)		(4,974)
Income taxes paid			(74,524)		(74,402)
Net cash (outflow)/inflow from operating activities			(716,650)		886,635
Investing activities					
Purchase of tangible fixed assets		(317,515)		(54,430)	
Proceeds on disposal of tangible fixed assets		198,303		-	
Purchase of subsidiaries		-		(1)	
Proceeds on disposal of subsidiaries		(14,999)		-	
Purchase of investments		-		(50,001)	
Proceeds on disposal of investments		89,663		-	
Interest received		2,373		3,675	
Net cash used in investing activities			(42,175)		(100,757)
Financing activities					
Redemption of shares		-		(669,966)	
Payment of finance leases obligations		66,377		(73,453)	
Net cash generated from/(used in) financing activities			66,377		(743,419)
Net (decrease)/increase in cash and cash equivalents			(692,448)		42,459
Cash and cash equivalents at beginning of year			4,665,345		4,622,886
Cash and cash equivalents at end of year			3,972,897		4,665,345
Relating to:					
Cash at bank and in hand			3,972,897		4,674,223
Bank overdrafts included in creditors payable within one year			-		(8,878)

1 Accounting policies

Company information

Green Energy (UK) Limited is a public company limited by shares incorporated in England and Wales. The registered office is Black Swan House, 23 Baldock Street, Ware, Hertfordshire, SG12 9DH.

On 21 July 2021 the company re-registered as Green Energy (UK) Limited, a private company limited by shares. The registered office remains unchanged.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 405 (2) of the Companies Act 2006 not to prepare consolidated accounts as the directors consider the subsidiaries result are not material. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

Having prepared forecasts to 30 April 2024 based on expectations that the demand for energy, especially in the domestic sector, will remain steady, the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

The company remains well positioned with a strong balance sheet with no external borrowings and the expectation of continuing profits based on those forecasts.

The directors are therefore confident that the going concern basis is appropriate for the preparation of these financial statements.

1.3 Turnover

Revenue comprises revenue from the sale of electricity and gas to commercial and domestic customers. Revenue excludes Value Added Tax. Revenue from the sale of electricity and gas 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 Accounting policies **(Continued)**

Power supply

Revenue for the supply of electricity is based on industry data flows and national grid data. These include an estimate of power used based on the estimated annual consumption of each customer. This information is reconciled over a 14 month period as customer and industry meter reads are received and estimates adjusted to actual usage. The company takes a prudent assumption of revenue based on the latest available data flow, with a final 'true-up' once the final industry supplied data flow is available, approximately 14 months after supply.

Revenue for the supply of gas is accrued based on information received from the company's gas shipper, which includes details of all the sites held, their estimated annual quantities of gas used adjusted by a pre-determined weather correction factor. This information is subsequently adjusted, and invoiced based on customer and industry meter reads.

Payment is collected either as a direct debit, paid on receipt of bill in arrears or in advance for those customers on prepayment meters. Overdue amounts are reviewed regularly for impairment and provision made as necessary.

Feed-in Tariff (FIT) administration services

Green Energy (UK) Plc provide FIT administration services to micro-generators who are signed up to the FIT scheme. For FIT services, revenue is earned from OFGEM for administering the scheme. For FIT services, revenue is recognised in two parts: there is the initial fee paid by OFGEM for taking on a generator, and then an ongoing amount that is received annually for provision of FIT services. The initial fee is spread over the 'take on' period for a new customer and the ongoing fee that is received is spread over the 12 month compliance period.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Power Supply Licences	10% straight line

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the life of the lease
Fixtures, fittings & equipment	20% straight line
Computer equipment	33.33% straight line
Motor vehicles	25% straight line

1 Accounting policies **(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies **(Continued)**

1.11 Derivatives

The company uses commodity purchase contracts to hedge its exposures to fluctuations in electricity commodity prices. When commodity purchase contracts have been entered into as part of the company's normal business activity, the company classifies them as 'own use' contracts and outside the scope of FRS102, Section 12.

This is achieved when:
- A physical delivery takes place under all such contracts;
- The volumes purchased or sold under contracts corresponds to the company's operating requirement; and
- The contracts are not considered as written options as defined by the standard.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Revenue recognition

Revenue calculated from energy sales includes an estimate of the value of electricity and gas supplied to customers between the date of the last meter reading and the end of the reporting period. This will have been estimated using historical consumption patterns and data available, and takes into consideration industry reconciliation processes, upon which the company takes a prudent position until final reconciliation data is available from the industry,

Power purchase costs

Electricity purchase costs can typically take 14 months to be finalised due to the processes that the energy market has to complete in order to finalise generation and consumption data for any one particular month. Therefore there is an element of electricity costs that needs to be estimated based on a combination of in-house and industry data that is available at any particular point in time.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022	2021
	£	£
Turnover analysed by class of business		
Electricity	24,185,390	17,959,910
Gas	4,538,312	2,829,643
	28,723,702	20,789,553

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	28,723,702	20,789,553

	2022	2021
	£	£
Other revenue		
Interest income	2,373	3,675
Grants received	6,228	14,142

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2022 £	2021 £
Government grants	(6,228)	(14,142)
Depreciation of owned tangible fixed assets	57,751	26,717
Depreciation of tangible fixed assets held under finance leases	35,515	67,313
Profit on disposal of tangible fixed assets	(69,739)	-
Operating lease charges	82,060	75,886

5 Auditor's remuneration

Fees payable to the company's auditor and associates:	2022 £	2021 £
For audit services		
Audit of the financial statements of the company	25,000	20,500
For other services		
Other assurance services	9,995	9,899
Taxation compliance services	2,169	1,500
All other non-audit services	11,597	5,392
	23,761	16,791

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Customer service and sales	13	10
Metering	3	3
Other operations	3	3
Billing and credit control	7	6
Administration	7	6
Directors	4	4
Total	37	32

6 Employees (Continued)

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	1,891,006	1,592,773
Social security costs	225,897	192,585
Pension costs	79,330	75,277
	2,196,233	1,860,635

7 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	612,560	498,911
Company pension contributions to defined contribution schemes	38,423	38,400
	650,983	537,311

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2021: 2).

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

	2022	2021
	£	£
Remuneration for qualifying services	305,235	230,230
Company pension contributions to defined contribution schemes	20,400	18,000

8 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	2,373	3,675

9 Interest payable and similar expenses

	2022	2021
	£	£
Other finance costs:		
Interest on finance leases and hire purchase contracts	3,586	4,974

10 Amounts written off investments

	2022	2021
	£	£
Gain on disposal of investments held at fair value	39,663	-

11 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	82,800	74,524
Adjustments in respect of prior periods	(10)	(969)
Total current tax	82,790	73,555
Deferred tax		
Origination and reversal of timing differences	43,024	24,324
Total tax charge	125,814	97,879

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. In the Budget on 11 March 2020, it was announced that the UK corporation tax rate would remain at 19% and not reduce to 17% from 1 April 2020. In March 2021, the 2021 budget announced an increase to 25% from 1 April 2023 for taxable profits above £50,000.

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	514,186	498,568
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	97,695	94,728
Tax effect of expenses that are not deductible in determining taxable profit	5,745	2,857
Effect of change in corporation tax rate	23,024	-
Depreciation on assets not qualifying for tax allowances	(650)	294
Taxation charge for the year	125,814	97,879

12 Intangible fixed assets

	Power Supply Licences
	£
Cost	
At 1 May 2021 and 30 April 2022	49,999
Amortisation and impairment	
At 1 May 2021 and 30 April 2022	-
Carrying amount	
At 30 April 2022	49,999
At 30 April 2021	49,999

The directors are of the opinion that the residual value of the power supply licence is at least the value included in the financial statements. No amortisation has been charged on this basis.

13 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 May 2021	320,000	53,154	207,922	413,165	994,241
Additions	-	5,018	16,928	295,569	317,515
Disposals	-	-	-	(382,391)	(382,391)
At 30 April 2022	320,000	58,172	224,850	326,343	929,365
Depreciation and impairment					
At 1 May 2021	119,467	45,168	182,480	229,545	576,660
Depreciation charged in the year	12,800	3,574	13,248	63,644	93,266
Eliminated in respect of disposals	-	-	-	(253,827)	(253,827)
At 30 April 2022	132,267	48,742	195,728	39,362	416,099
Carrying amount					
At 30 April 2022	187,733	9,430	29,122	286,981	513,266
At 30 April 2021	200,533	7,986	25,442	183,620	417,581

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2022	2021
	£	£
Motor vehicles	286,981	183,620

14 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	**15**	15,004	5
Unlisted investments		1	50,001
		15,005	50,006

Movements in fixed asset investments

	Shares in subsidiaries £	Other investments £	Total £
Cost or valuation			
At 1 May 2021	5	50,001	50,006
Additions	14,999	-	14,999
Disposals	-	(50,000)	(50,000)
At 30 April 2022	15,004	1	15,005
Carrying amount			
At 30 April 2022	15,004	1	15,005
At 30 April 2021	5	50,001	50,006

15 Subsidiaries

Details of the company's subsidiaries at 30 April 2022 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held Direct	Indirect
Garsington Energy Limited	1	Dormant	Ordinary	100.00	0
Green Energy Electricity Limited	1	Dormant	Ordinary	100.00	0
Green Energy Gas Limited	1	Dormant	Ordinary	100.00	0
Green Energy Limited	1	Dormant	Ordinary	100.00	0

Registered Office addresses:

1 Black Swan House, 23 Baldock Street, Ware, Hertfordshire SG12 9DH

16 Joint ventures

Details of the company's joint ventures at 30 April 2022 are as follows:

Name of undertaking	Registered office	Interest held	% Held Direct
Radius Energy Limited	Euro Card Centre Herald Drive, Herald Park, Crewe CW1 6EG	Ordinary	15.00

17 Debtors

	2022	2021
Amounts falling due within one year:	**£**	**£**
Trade debtors	4,921,438	3,078,613
Other debtors	1,231,143	271,272
Prepayments and accrued income	191,645	565,733
	6,344,226	3,915,618

18 Creditors: amounts falling due within one year

		2022	2021
	Notes	**£**	**£**
Bank loans and overdrafts	**20**	-	8,878
Obligations under finance leases	**21**	71,566	41,975
Trade creditors		448,657	767,226
Corporation tax		82,790	74,524
Other taxation and social security		311,163	123,333
Other creditors		451,181	249,000
Accruals and deferred income		5,506,934	4,287,571
		6,872,291	5,552,507

The overdraft is secured by fixed and floating charges over all property and assets present and future by National Westminster Bank PLC.

19 Creditors: amounts falling due after more than one year

		2022	2021
	Notes	**£**	**£**
Obligations under finance leases	**21**	122,877	86,091

20 Loans and overdrafts

	2022	2021
	£	**£**
Bank overdrafts	-	8,878
Payable within one year	-	8,878

The overdraft is secured by fixed and floating charges over all property and assets present and future by National Westminster Bank PLC.

21 Finance lease obligations

	2022	2021
Future minimum lease payments due under finance leases:	£	£
Within one year	71,566	41,975
In two to five years	122,877	86,091
	194,443	128,066

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years from inception. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

22 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2022	Liabilities 2021
Balances:	£	£
Accelerated capital allowances	97,019	53,619
Short Term Timing Differences	(1,087)	(711)
	95,932	52,908

	2022
Movements in the year:	£
Liability at 1 May 2021	52,908
Charge to profit or loss	43,024
Liability at 30 April 2022	95,932

Approximately a quarter of the deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

23 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	79,330	75,277

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

24 Share capital

	2022	2021	2022	2021
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
'A' Ordinary shares of 0.1p each	33,668,750	33,668,750	37,131	33,669
'C' Ordinary shares of 0.1p each	3,461,600	3,461,600	-	3,462
	37,130,350	37,130,350	37,131	37,131

During the year nil (2021: 20,293,600) 'A' Ordinary shares were repurchased and cancelled.

During the year nil (2021: 1,566,800) 'D' Ordinary shares were converted into 'C' Ordinary shares.

'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.

'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.

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

The directors are personally responsible to pay up in full, the nominal value of customers 'D' 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 'C' Ordinary shares rank pari passu in respect of the distribution of profits. The 'D' Ordinary shares shall not be entitled to participate in the distribution of profits. Unlike the holders of 'A' and 'C' Ordinary shares, the 'D' Ordinary shareholders have no rights to receive any monies on the the winding up of the company. Full rights of each class of share are outlined in the company's Articles of Association.

25 Reserves

Capital redemption reserve
The capital redemption reserve is a reserve created when the company buys its own shares which reduces its share capital. This reserve is not distributable to shareholders.

Profit and loss reserves
The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

26 Financial commitments, guarantees and contingent liabilities

The Company is committed to purchase electric power under various short and long-term electricity supply contracts. At 30 April 2022 the estimated future commitment for the purchase of electricity under all these contracts totalled £12,553,096 (2021: £3,085,986)

At the year end the Company had also bought electricity under fixed rate forward contracts. At the year end they had committed to buying 53,952 MWh (2021: 43,101 MWh) for £12,218,783 (2021: £2,315,361).

At the year end the Company had committed to purchase gas under fixed rate forward contracts. At the year end they had committed to buying 66,762 Mwh (2021: 61,359 Mwh) for £2,080,270 (2021: £989,136).

The Company's bankers have a fixed and floating charge over the undertaking and all property and assets present and future for all monies due or to become due from the Company to the chargee on any account whatsoever.

27 Operating lease commitments

Lessee
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	54,000	54,000
Between two and five years	216,000	216,000
In over five years	258,500	312,500
	528,500	582,500

28 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2022	2021
	£	£
Acquisition of tangible fixed assets	-	147,210

29 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel is as follows.

	2022	2021
	£	£
Aggregate compensation	671,414	551,195

29 Related party transactions (Continued)

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales 2022 £	Sales 2021 £	Purchases 2022 £	Purchases 2021 £
Key management personnel	12,278	9,253	-	-
Other related parties	37,514	35,802	425,556	358,924

30 Analysis of changes in net funds

	1 May 2021 £	Cash flows £	30 April 2022 £
Cash at bank and in hand	4,674,223	(701,326)	3,972,897
Bank overdrafts	(8,878)	8,878	-
	4,665,345	(692,448)	3,972,897
Obligations under finance leases	(128,066)	(66,377)	(194,443)
	4,537,279	(758,825)	3,778,454

31 Cash generated from operations

	2022 £	2021 £
Profit for the year after tax	388,372	400,689
Adjustments for:		
Taxation charged	125,814	97,879
Finance costs	3,586	4,974
Investment income	(2,373)	(3,675)
Gain on disposal of tangible fixed assets	(69,739)	-
Depreciation and impairment of tangible fixed assets	93,266	94,030
Amounts written off investments	(39,663)	-
Movements in working capital:		
(Increase)/decrease in debtors	(2,428,608)	98,508
Increase in creditors	1,290,805	273,606
Cash (absorbed by)/generated from operations	(638,540)	966,011