

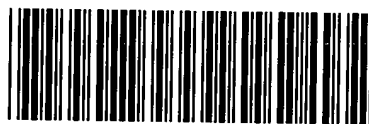
**Gas Plus Supply Limited**

**Report and Financial Statements**

**For the period from 1 December 2013 to 31 March 2015**

**Company Registration Number 5199935**

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**COMPANIES HOUSE**

**Gas Plus Supply Limited**  
**Report and Accounts**  
**For the period from 1 December 2013 to 31 March 2015**

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**Gas Plus Supply Limited**  
**Report and Accounts**  
**For the period from 1 December 2013 to 31 March 2015**

**Directors of the company**

S Veal  
A Lindsay  
N Schoenfeld

**Secretary and registered office**

D Baxter  
Network HQ  
508 Edgware Road  
The Hyde  
London  
NW9 5AB

**Independent auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

**Bankers**

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

**Solicitors**

Nabarro LLP  
Lacon House  
Theobald's Road  
London  
WC1X 8RW

**Gas Plus Supply Limited**  
**Strategic Report**  
**For the period from 1 December 2013 to 31 March 2015**

## **REVIEW OF THE BUSINESS**

Amounts included in the annual accounts relate to the provision of gas services to residential and small business customers. The Company was acquired by Telecom Plus PLC from Npower Limited on 20 December 2013 with an economic effective date of 1 December 2013.

Prior to the acquisition by Telecom Plus, the revenues generated from the sale of gas to the Company's customers, and also therefore the associated trade debtors, were recognised in the financial statements of Telecom Plus despite Telecom Plus not owning the Company. This accounting treatment was deemed appropriate principally as a result of Telecom Plus exercising control over the retail pricing of gas to the Company's customers and retaining the risk of customer bad debt during Npower Limited's ownership. Following the acquisition by Telecom Plus the Company maintains a direct relationship with its customers and retains any risk associated with customer bad debt. The Company therefore recognises trade debtors in its own right.

During the period the Company changed its accounting reference date to 31 March 2015. Therefore these financial statements cover the sixteen month period to 31 March 2015.

The profit on ordinary activities before taxation for the period ended 31 March 2015, set out on page 5, was £15,393,000 (period ended 30 November 2013: £23,829,000). The Company does not have any financial instruments other than debtors and creditors arising from its normal business activities. Any risks in respect of financial instruments of the parent company are disclosed in its accounts.

The resulting financial position of the Company is set out in the balance sheet on page 6.

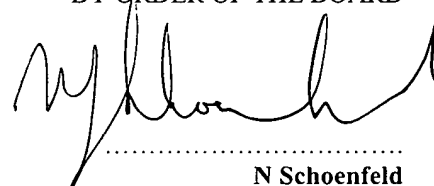
## **PRINCIPAL RISKS AND UNCERTAINTIES**

The Company does not actively use financial instruments as part of its financial risk management and therefore is not subject to price or liquidity risk. It is exposed to the usual credit and cash flow risks associated with the supply of services on credit and manages these through appropriate credit control procedures.

## **DEVELOPMENT AND PERFORMANCE**

The Company has traded satisfactorily during the year and is expected to continue to do so.

BY ORDER OF THE BOARD



N Schoenfeld

Director

12 November 2015

**Gas Plus Supply Limited**  
**Report of the Directors**  
**For the period from 1 December 2013 to 31 March 2015**

The directors have pleasure in presenting their report and the audited financial statements for the period ended 31 March 2015.

## **ACTIVITIES**

The principal activity of the Company is the supply of gas services to residential and small business customers. Information on the principal risks and the development of the Company are set out in the Strategic Report on page 1. The Company did not make any political donations during the period.

## **DIRECTORS**

The directors of the Company during the year were:

S Veal (appointed 20 December 2013)  
A Lindsay (appointed 3 October 2014)  
N Schoenfeld (appointed 7 January 2015)  
C P Houghton (appointed 20 December 2013 and resigned 3 October 2014)  
R Rose (resigned 20 December 2013)  
R Hattam (resigned 20 December 2013)  
S Stacey (resigned 20 December 2013)

## **FUTURE PROSPECTS**

The Company's parent company, Telecom Plus PLC, will continue to support the business. The Company has traded satisfactorily during the year and is expected to continue to do so.

## **DIVIDENDS**

The directors recommend that no dividend is paid. A final dividend of £1,378,000 was paid to former parent company Npower Limited on 11 December 2013 in relation to the period ended 30 November 2013 (2013: interim dividend £17,008,000).

## **DISCLOSURE OF INFORMATION**

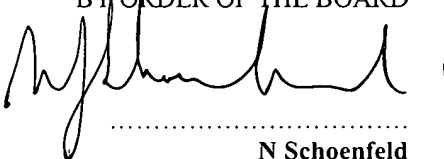
So far as the directors are aware, there is no information needed by the Company's auditor in connection with preparing their report of which they are unaware, and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

## **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

The Company maintains appropriate insurance to cover directors' and officers' liability and has provided an indemnity, as permitted by the Companies Act 2006, in respect of all of the Company's directors which was in force throughout the financial year and remains in force. Neither the insurance nor the indemnity provides cover where a director has acted fraudulently or dishonestly.

## **AUDITORS**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

BY ORDER OF THE BOARD  
  
.....  
N Schoenfeld  
Director  
12 November 2015

**Gas Plus Supply Limited**  
**Directors' Responsibilities**  
**For the period from 1 December 2013 to 31 March 2015**

The directors are responsible for preparing the strategic report, 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 judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

## **Independent Auditor's Report to the Members of Gas Plus Supply Limited**

We have audited the financial statements of Gas Plus Supply Limited for the period from 1 December 2013 to 31 March 2015 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 31 March 2015 and of its profit for the period then ended;
- have been properly prepared in accordance with UK 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 Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

### **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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



**David Neale (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

15 Canada Square

London

E14 5GL

United Kingdom

12 November 2015

**Gas Plus Supply Limited**  
**Profit and Loss Account**  
For the period from 1 December 2013 to 31 March 2015

		<b>16 month period ended 31 March 2015 £'000</b>	<b>11 month period ended 30 November 2013 £'000</b>
<b>Turnover</b>	2	421,886	237,347
Cost of sales		(374,853)	(200,049)
<b>Gross profit</b>		<u>47,033</u>	<u>37,298</u>
Selling and distribution expenses		(6,562)	-
Administrative expenses		(25,078)	(14,218)
<b>Operating profit</b>	4	<u>15,393</u>	<u>23,080</u>
Net interest and similar income		-	749
<b>Profit on ordinary activities before taxation</b>		<u>15,393</u>	<u>23,829</u>
Tax on profit on ordinary activities	5	(3,476)	(5,441)
<b>Profit on ordinary activities after taxation</b>	10	<u><u>11,917</u></u>	<u><u>18,388</u></u>

All amounts relate to continuing activities.

The Company has no recognised gains or losses other than the profit for the year.

The notes on pages 7 to 11 form part of these financial statements.



**Gas Plus Supply Limited**  
**Balance Sheet**  
For the period ended 31 March 2015

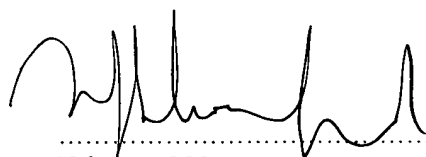
Company number: 5199935

	Note	31 March 2015 £'000	£'000	30 November 2013 £'000	£'000
<b>CURRENT ASSETS</b>					
Debtors	6	84,322		32,243	
Cash		9		32,514	
		84,331		64,757	
<b>CREDITORS: amounts falling due within one year</b>	7	(71,257)		(62,222)	
<b>NET CURRENT ASSETS</b>			13,074		2,535
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			13,074		2,535
<b>NET ASSETS</b>			13,074		2,535
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		-		-
Profit and loss account	10		13,074		2,535
<b>SHAREHOLDERS' FUNDS</b>	11		13,074		2,535

The notes on pages 7 to 11 form part of these financial statements.

The Board of Directors approved these financial statements on 12 November 2015.

Signed and authorised for issue on behalf of the Board of Directors:

  
.....  
**N Schoenfeld**  
Director

**Gas Plus Supply Limited**  
**Notes to the Financial Statements**  
**For the period from 1 December 2013 to 31 March 2015**

**1 ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of the accounts are described below:

**(a) Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. The directors have prepared these accounts on a going concern basis.

Revenue relating to the sale of gas includes an estimate of the value gas supplied to customers between the date of the last meter reading and the period end. This will have been estimated by using historical consumption patterns, prevailing weather data and other industry information.

Whilst the estimation routines are currently considered appropriate, a significant change in historical consumption patterns and/or a failure to maintain the accuracy of the estimation routines could impact the amount of revenue recognised.

**(b) Taxation**

Taxation for the year is based on the profit for the year. Full provision is made when material for deferred tax liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are recognised when material and are not discounted.

**(c) Cash flow statement**

The Company has taken advantage of the exemption from presenting a cash flow statement under the terms of FRS 1 'Cash Flow Statements'.

**(d) Revenue recognition**

Revenue comprises the value of sales (excluding VAT) for services delivered during the year in the normal course of business. The recognition of revenue associated with the provision of gas services to customers by the Company relies on estimates of usage where meter readings are not available. These estimates are based on historical usage information adjusted for known factors such as variations in weather. Revenue is recognised during the period in which the services are supplied and any unbilled revenue is accrued at each period end.

**(e) Related parties**

The company, as a wholly owned subsidiary undertaking of Telecom Plus PLC, has taken advantage of an exemption contained in FRS 8, "Related Party Disclosures", in preparing its financial statements. This exemption allows the company not to disclose details of transactions with other group companies or investees of the group qualifying as related parties, as the consolidated financial statements of Telecom Plus PLC, in which the company is included, are publicly available.

**2 TURNOVER**

Turnover is wholly attributable to the principal activity of the Company and arises solely within the United Kingdom.

**Gas Plus Supply Limited**  
**Notes to the Financial Statements**  
**For the period from 1 December 2013 to 31 March 2015**

**3 DIRECTORS AND EMPLOYEES**

**Directors' emoluments**

The directors of the Company are paid by the parent company, Telecom Plus PLC. Details of their remuneration can be found in this company's financial statements. The Company has no other employees.

**Employee costs during the period**

	<b>16 month period ended 31 March 2015 £'000</b>	<b>11 month period ended 30 November 2013 £'000</b>
Wages and salaries	-	538
Social security costs	-	56
Pension contributions	-	53
	<hr/> - <hr/>	<hr/> 647 <hr/>
	<b>16 month period ended 31 March 2015</b>	<b>11 month period ended 30 November 2013</b>
Average number employed by the Company (excluding directors)	-	32
	<hr/>	<hr/>

**4 OPERATING PROFIT**

**Operating profit is stated after charging:**

	<b>16 month period ended 31 March 2015 £'000</b>	<b>11 month period ended 30 November 2013 £'000</b>
Auditor's remuneration – audit of the financial statements	12	10
	<hr/>	<hr/>

Fees paid to the Company's auditor for non-audit services are disclosed in the financial statements of the parent company, Telecom Plus PLC.

**Gas Plus Supply Limited**  
**Notes to the Financial Statements**  
**For the period from 1 December 2013 to 31 March 2015**

**5 TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES**

	16 month period ended 31 March 2015 £'000	11 month period ended 30 November 2013 £'000
The tax charge comprises:		
<b>Current tax</b>		
Group relief	-	5,441
UK corporation tax at 22.58%	3,476	-
Total tax charge for the year	<u>3,476</u>	<u>5,441</u>
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before tax	<u>15,393</u>	<u>23,829</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 22.58% (2013: 23.27%)	3,476	5,545
Non-taxable income	-	(104)
	<u>3,476</u>	<u>5,441</u>

**Factors which may affect future tax charges**

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly.

**6 DEBTORS**

	2015 £'000	2013 £'000
Trade debtors	4,042	-
Amounts owed by group undertakings	24,407	-
Prepayments and accrued income	55,873	-
Taxation and social security	-	3,399
Other debtors	-	28,844
	<u>84,322</u>	<u>32,243</u>

**Gas Plus Supply Limited**  
**Notes to the Financial Statements**  
**For the period from 1 December 2013 to 31 March 2015**

**7 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £'000	2013 £'000
Trade creditors	1,968	8,466
Loans owed to group undertakings	-	2,000
Amounts owed to group undertakings	-	51,746
Social security and other taxes	114	-
Corporation tax	497	-
Accruals and deferred income	68,678	10
	<hr/> 71,257 <hr/>	<hr/> 62,222 <hr/>

**8 CALLED UP SHARE CAPITAL**

	2015 £	2013 £
<b>Called up, allotted and fully paid</b>		
1 ordinary shares of £1 (2013: £1)	1	1
	<hr/>	<hr/>

**9 DIVIDENDS**

	2015 £'000	2013 £'000
<b>Dividends paid</b>		
Interim dividend paid: £17,008,000 per £1 share	-	17,008
Final dividend paid: £1,378,000 per £1 share	1,378	-
	<hr/>	<hr/>

**10 STATEMENT OF MOVEMENT ON RESERVES**

	2015 £'000	2013 £'000
<b>Profit and loss account</b>		
At 1 December 2013 and 1 January 2013	2,535	1,155
Profit for the period	11,917	18,388
Dividends paid to former parent	(1,378)	(17,008)
	<hr/>	<hr/>
<b>At 31 March 2015 and 30 November 2013</b>	<hr/> 13,074 <hr/>	<hr/> 2,535 <hr/>

**Gas Plus Supply Limited**  
**Notes to the Financial Statements**  
**For the period from 1 December 2013 to 31 March 2015**

**11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>16 month period ended 31 March 2015 £'000</b>	<b>11 month period ended 30 November 2013 £'000</b>
Opening shareholders' funds	2,535	1,155
Profit on ordinary activities for the financial period	11,917	18,388
Dividends	(1,378)	(17,008)
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b><u>13,074</u></b>	<b><u>2,535</u></b>

**12 RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption in FRS 8 extended to wholly-owned subsidiary undertakings whose voting rights are controlled within a group. Consequently no disclosure has been made regarding any transactions with other entities within the Telecom Plus PLC group.

**13 ULTIMATE PARENT COMPANY AND CONTROLLING ENTITY**

At 31 March 2015, the ultimate parent company and controlling entity was Telecom Plus PLC. Telecom Plus PLC is a company registered in England and Wales and incorporated in the UK. The financial statements of the ultimate parent company and controlling entity are available from the registered office, Network HQ, 508 Edgware Road, The Hyde, London NW9 5AB.

For the period ended 30 November 2013 the Company's immediate parent company was Npower Limited, a company incorporated in Great Britain and registered in England and Wales. The ultimate controlling party for the period ended 30 November 2013 was RWE AG.

**14 CONTINGENT LIABILITY**

The Company has given a guarantee in respect of the holding company's indebtedness to its bankers. At 31 March 2015, the parent company had borrowings comprising bank loans of £70,000,000.