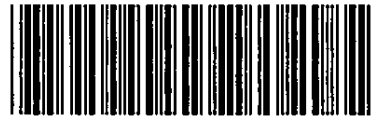


REGISTERED NUMBER 05888980 (England and Wales)

**Report of the Directors and
Consolidated Financial Statements for the Year Ended 31st March 2013
for
SSE Insource Energy Limited**

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SSE Insource Energy Limited (Registered number 05888980)

**Contents of the Consolidated Financial Statements
for the Year Ended 31st March 2013**

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SSE Insource Energy Limited
Company Information
for the Year Ended 31st March 2013

DIRECTORS

I S Cooke
Mrs M J Hope

SECRETARY

L J V Donnelly

REGISTERED OFFICE

55 Vastern Road
Reading
Berkshire
RG1 8BU

REGISTERED NUMBER

05888980 (England and Wales)

AUDITORS

The Richards Sandy Partnership Ltd
Chartered Accountants
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

SSE Insource Energy Limited (Registered number 05888980)

**Report of the Directors
for the Year Ended 31st March 2013**

The directors present their report with the financial statements of the company and the group for the year ended 31st March 2013

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of developing waste to energy projects, typically on site solutions for large UK food processors generating substantial organic wastes within their operations

REVIEW OF BUSINESS

As at 31 March 2013, InSource Energy Limited has one group company, InSource Energy (Rogerstone) Limited which operates the Two Sisters RF Brookes ready meals plant in South Wales. Until June 2012 the company sought to develop further projects with a view to owning and operating these to achieve future growth and income.

Following a review of the activities in the company, the development of new waste to energy projects was ceased in June 2012 due to the lack of progress in securing viable projects.

The company's principal activity is now the operation of the RF Brookes plant. The company's focus is on ensuring continuous and safe operation of the plant under the 15 year service agreement. The Directors and management are continually reviewing the operation of the plant and the performance under the service agreement. Areas for improvement have been identified.

Invoices for services and energy supply were raised against RF Brookes. As such, the plant has generated income for the company during the year. This has been supplemented by Feed in Tariff income. In the year ahead, with improvements to the plant planned, it is expected that this income stream will increase. Prior to the date of this report but after 31st March 2013, the shareholders agreed to waive the loans provided to the company and as such significantly reducing the cash flow requirement.

In April 2013, SSE Venture Capital Limited became the 100% shareholder in SSE Insource Energy Limited. SSE Venture Capital Limited is a wholly owned subsidiary of SSE plc which has indicated that for at least 12 months, and for the foreseeable future, from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company. The financial statements have therefore been prepared on the going concern basis.

DIVIDENDS

No dividends will be distributed for the year ended 31st March 2013.

DIRECTORS

I S Cooke ceased to be a director after 31st March 2013 but prior to the date of this report.

D A Allan was appointed as a director after 31st March 2013 but prior to the date of this report.

M Hayward was appointed as a director after 31st March but prior to the date of this report.

Other changes in directors holding office are as follows:

P F Ashworth - resigned 12th October 2012

A H Honeyman - resigned 15th June 2012

J M Scott - resigned 12th October 2012

Mrs M J Hope - appointed 15th June 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 the group and of the profit or loss of the group 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,
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the

SSE Insource Energy Limited (Registered number 05888980)

**Report of the Directors
for the Year Ended 31st March 2013**

company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The Richards Sandy Partnership Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD


Mrs M J Hope - Director

Date 17/12/2013

**Report of the Independent Auditors to the Members of
SSE Insource Energy Limited**

We have audited the financial statements of SSE Insource Energy Limited for the year ended 31st March 2013 on pages five to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31st March 2013 and of the group's loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

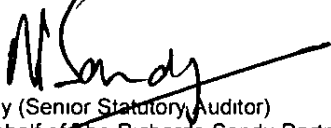
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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.



Mr N P Sandy (Senior Statutory Auditor)
for and on behalf of The Richards Sandy Partnership Ltd
Chartered Accountants
Thorneloe House
25 Barbourne Road
Worcester
Worcestershire
WR1 1RU

Date

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SSE Insource Energy Limited (Registered number 05888980)

**Consolidated Profit and Loss Account
for the Year Ended 31st March 2013**

	Notes	2013 £	2012 £
TURNOVER		1,134,225	493,749
Cost of sales		<u>328,242</u>	<u>286,893</u>
GROSS PROFIT		805,983	206,856
Administrative expenses		<u>1,184,850</u>	<u>1,505,128</u>
OPERATING LOSS	3	(378,867)	(1,298,272)
Interest receivable and similar income		<u>75</u>	<u>561</u>
		(378,792)	(1,297,711)
Interest payable and similar charges	4	<u>517,141</u>	<u>497,533</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(895,933)	(1,795,244)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR FOR THE GROUP		<u>(895,933)</u>	<u>(1,795,244)</u>

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the losses for the current year or previous year

The notes form part of these financial statements

SSE Insource Energy Limited (Registered number 05888980)

**Consolidated Balance Sheet
31st March 2013**

	Notes	2013 £	2012 £
FIXED ASSETS			
Tangible assets	7	4,103,618	4,370,154
Investments	8	<u>2</u>	<u>2</u>
		4,103,620	4,370,156
CURRENT ASSETS			
Debtors	9	166,178	97,486
Cash at bank and in hand		<u>407,019</u>	<u>149,407</u>
		573,197	246,893
CREDITORS			
Amounts falling due within one year	10	<u>1,641,702</u>	<u>891,001</u>
NET CURRENT LIABILITIES		<u>(1,068,505)</u>	<u>(644,108)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,035,115	3,726,048
CREDITORS			
Amounts falling due after more than one year	11	<u>5,446,073</u>	<u>5,241,073</u>
NET LIABILITIES		<u>(2,410,958)</u>	<u>(1,515,025)</u>
CAPITAL AND RESERVES			
Called up share capital	14	3,263,017	3,263,017
Share premium	15	1,696,606	1,696,606
Other reserves	15	54,389	54,389
Profit and loss account		<u>(7,424,970)</u>	<u>(6,529,037)</u>
SHAREHOLDERS' FUNDS	17	<u>(2,410,958)</u>	<u>(1,515,025)</u>

The financial statements were approved by the Board of Directors on its behalf by

17/12/2013

and were signed on


Mrs M J Hope - Director

The notes form part of these financial statements

SSE Insource Energy Limited (Registered number 05888980)

**Company Balance Sheet
31st March 2013**

	Notes	£	2013	£	2012	£
FIXED ASSETS						
Tangible assets	7			3,333		3,361
Investments	8			<u>2</u>		<u>2</u>
				3,335		3,363
CURRENT ASSETS						
Debtors	9	592,899			353,106	
Cash at bank		<u>350,398</u>			<u>82,391</u>	
		943,297			435,497	
CREDITORS						
Amounts falling due within one year	10	<u>1,007,312</u>			<u>269,789</u>	
NET CURRENT (LIABILITIES)/ASSETS				<u>(64,015)</u>		<u>165,708</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>(60,680)</u>		<u>169,071</u>
CAPITAL AND RESERVES						
Called up share capital	14		3,263,016			3,263,016
Share premium	15		1,696,606			1,696,606
Other reserves	15		54,389			54,389
Profit and loss account			<u>(5,074,691)</u>			<u>(4,844,940)</u>
SHAREHOLDERS' FUNDS	17		<u>(60,680)</u>			<u>169,071</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 17/12/2013 and were signed on its behalf by


Mrs M J Hope - Director

The notes form part of these financial statements

SSE Insource Energy Limited (Registered number 05888980)

**Consolidated Cash Flow Statement
for the Year Ended 31st March 2013**

	Notes	£	2013	£	£	2012	£
Net cash inflow from operating activities	1			869,882			582,976
Returns on investments and servicing of finance	2			(517,066)			(496,972)
Capital expenditure	2			(95,204)			(901,732)
Increase/(decrease) in cash in the period				<u>257,612</u>			<u>(815,728)</u>

Reconciliation of net cash flow to movement in net debt

	3						
Increase/(decrease) in cash in the period			257,612			(815,728)	
Cash inflow from increase in debt			<u>(1,006,079)</u>			<u>(1,199,067)</u>	
Change in net debt resulting from cash flows				<u>(748,467)</u>			<u>(2,014,795)</u>
Movement in net debt in the period				<u>(748,467)</u>			<u>(2,014,795)</u>
Net debt at 1st April				<u>(5,634,555)</u>			<u>(3,619,760)</u>
Net debt at 31st March				<u>(6,383,022)</u>			<u>(5,634,555)</u>

The notes form part of these financial statements

SSE Insource Energy Limited (Registered number 05888980)

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31st March 2013**

1 RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating loss	(378,867)	(1,298,272)
Depreciation charges	358,327	380,760
Loss on disposal of fixed assets	3,413	-
(Increase)/decrease in debtors	(68,692)	249,132
Increase in creditors	<u>955,701</u>	<u>1,251,356</u>
Net cash inflow from operating activities	<u>869,882</u>	<u>582,976</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	75	561
Interest paid	<u>(517,141)</u>	<u>(497,533)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(517,066)</u>	<u>(496,972)</u>
Capital expenditure		
Purchase of tangible fixed assets	<u>(104,671)</u>	(901,732)
Sale of tangible fixed assets	<u>9,467</u>	-
Net cash outflow for capital expenditure	<u>(95,204)</u>	<u>(901,732)</u>

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 4 12 £	Cash flow £	At 31 3 13 £
Net cash			
Cash at bank and in hand	<u>149,407</u>	<u>257,612</u>	<u>407,019</u>
	<u>149,407</u>	<u>257,612</u>	<u>407,019</u>
Debt			
Debts falling due within one year	(542,889)	(801,079)	(1,343,968)
Debts falling due after one year	<u>(5,241,073)</u>	<u>(205,000)</u>	<u>(5,446,073)</u>
	<u>(5,783,962)</u>	<u>(1,006,079)</u>	<u>(6,790,041)</u>
Total	<u>(5,634,555)</u>	<u>(748,467)</u>	<u>(6,383,022)</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the Year Ended 31st March 2013

1 ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention

TURNOVER

Turnover represents net invoiced sales of goods, excluding value added tax

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost and 25% on reducing balance

DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

HIRE PURCHASE AND LEASING COMMITMENTS

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

2 STAFF COSTS

	2013 £	2012 £
Wages and salaries	278,429	454,399
Social security costs	24,108	46,878
	<u>302,537</u>	<u>501,277</u>

The average monthly number of employees during the year was as follows

2013	2012
<u>7</u>	<u>9</u>

3 OPERATING LOSS

The operating loss is stated after charging

	2013 £	2012 £
Hire of plant and machinery	54,003	52,079
Depreciation - owned assets	358,327	380,760
Loss on disposal of fixed assets	3,413	-
Auditors' remuneration	5,290	4,800
Foreign exchange differences	87	226
	<u>56,257</u>	<u>135,047</u>
Directors' remuneration		
	<u>56,257</u>	<u>135,047</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £	2012 £
Bank interest	75	27
Other loan interest	517,066	497,506
	<u>517,141</u>	<u>497,533</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st March 2013

5 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31st March 2013 nor for the year ended 31st March 2012

6 LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(229,751) (2012 - £(575,860))

7 TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1st April 2012	4,743,957	1,746	5,653	4,751,356
Additions	102,996	592	1,083	104,671
Disposals	(14,000)	-	-	(14,000)
At 31st March 2013	<u>4,832,953</u>	<u>2,338</u>	<u>6,736</u>	<u>4,842,027</u>
DEPRECIATION				
At 1st April 2012	378,879	437	1,886	381,202
Charge for year	356,415	475	1,437	358,327
Eliminated on disposal	(1,120)	-	-	(1,120)
At 31st March 2013	<u>734,174</u>	<u>912</u>	<u>3,323</u>	<u>738,409</u>
NET BOOK VALUE				
At 31st March 2013	<u>4,098,779</u>	<u>1,426</u>	<u>3,413</u>	<u>4,103,618</u>
At 31st March 2012	<u>4,365,078</u>	<u>1,309</u>	<u>3,767</u>	<u>4,370,154</u>

Company

	Computer equipment £
COST	
At 1st April 2012	4,667
Additions	<u>1,083</u>
At 31st March 2013	<u>5,750</u>
DEPRECIATION	
At 1st April 2012	1,306
Charge for year	<u>1,111</u>
At 31st March 2013	<u>2,417</u>
NET BOOK VALUE	
At 31st March 2013	<u>3,333</u>
At 31st March 2012	<u>3,361</u>

SSE Insource Energy Limited (Registered number 05888980)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st March 2013**

8 FIXED ASSET INVESTMENTS

Group

	Shares in group undertakings £
COST	
At 1st April 2012 and 31st March 2013	<u>2</u>
NET BOOK VALUE	
At 31st March 2013	<u>2</u>
At 31st March 2012	<u>2</u>

Company

	Shares in group undertakings £
COST	
At 1st April 2012 and 31st March 2013	<u>2</u>
NET BOOK VALUE	
At 31st March 2013	<u>2</u>
At 31st March 2012	<u>2</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following

SUBSIDIARY

SSE Rogerstone Limited

Nature of business Building plant to convert food waste into power

Class of shares	%
Ordinary	100 00

	2013 £	2012 £
Aggregate capital and reserves	(2,350,279)	(1,684,096)
Loss for the year	<u>(666,183)</u>	<u>(1,219,384)</u>

9 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Trade debtors	66,592	51,271	1,343	-
Amounts owed by group undertakings	-	-	591,405	335,795
VAT	4,147	43,144	151	15,102
Accrued income	77,006	-	-	-
Prepayments	<u>18,433</u>	<u>3,071</u>	<u>-</u>	<u>2,209</u>
	<u>166,178</u>	<u>97,486</u>	<u>592,899</u>	<u>353,106</u>

SSE Insource Energy Limited (Registered number 05888980)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st March 2013**

10 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Other loans (see note 12)	1,343,968	542,889	1,004,622	210,000
Trade creditors	254,919	273,428	-	48,848
Social security and other taxes	2,855	12,808	-	9,091
Accrued expenses	39,960	61,876	2,690	1,850
	<u>1,641,702</u>	<u>891,001</u>	<u>1,007,312</u>	<u>269,789</u>

11 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2013	2012
	£	£
Other loans (see note 12)	<u>5,446,073</u>	<u>5,241,073</u>

12 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Amounts falling due within one year or on demand				
Other loans	<u>1,343,968</u>	<u>542,889</u>	<u>1,004,622</u>	<u>210,000</u>
Amounts falling due between one and two years				
Other loans - 1-2 years	<u>-</u>	<u>479,261</u>	<u>-</u>	<u>-</u>
Amounts falling due between two and five years				
Other loans - 2-5 years	<u>1,110,825</u>	<u>1,111,648</u>	<u>-</u>	<u>-</u>
Amounts falling due in more than five years				
Repayable by instalments				
Other loans more 5yrs instal	<u>4,335,248</u>	<u>3,650,164</u>	<u>-</u>	<u>-</u>

SSE Insource Energy Limited (Registered number 05888980)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st March 2013**

13 SECURED DEBTS

The following secured debts are included within creditors

	Group	
	2013	2012
	£	£
Other loans	<u>6,790,041</u>	<u>5,783,962</u>

At 31 March 2013 the subsidiary, SSE Rogerstone Limited had a £5,446,073 (2012 - £5,016,073) secured interest bearing loan outstanding with SSE Venture Capital Limited

At 31 March 2013 the subsidiary, SSE Rogerstone Limited had a £339,346 (2012 - £555,000) secured interest bearing loan outstanding with Accelerated Growth Fund Limited, repayments to commence May 2012

At 31 March 2013 SSE Insource Energy Limited had a £700,726 (2012 - £105,000) secured interest bearing loan outstanding with SSE Venture Capital Limited

At 31 March 2013 SSE Insource Energy Limited had a £303,895 (2012 - £105,000) secured interest bearing loan outstanding with Carbon Trust Limited

The above loans have been waived after the year end

14 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2013 £	2012 £
3,263,016	Ordinary		<u>3,263,017</u>	<u>3,263,017</u>

15 RESERVES

Group

	Profit and loss account £	Share premium £	Other reserves £	Totals £
At 1st April 2012	(6,529,037)	1,696,606	54,389	(4,778,042)
Deficit for the year	<u>(895,933)</u>			<u>(895,933)</u>
At 31st March 2013	<u>(7,424,970)</u>	<u>1,696,606</u>	<u>54,389</u>	<u>(5,673,975)</u>

Company

	Profit and loss account £	Share premium £	Other reserves £	Totals £
At 1st April 2012	(4,844,940)	1,696,606	54,389	(3,093,945)
Deficit for the year	<u>(229,751)</u>			<u>(229,751)</u>
At 31st March 2013	<u>(5,074,691)</u>	<u>1,696,606</u>	<u>54,389</u>	<u>(3,323,696)</u>

SSE Insource Energy Limited (Registered number 05888980)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st March 2013**

16 RELATED PARTY DISCLOSURES

SSE Rogerstone Limited owe SSE Insource Energy Limited £591,405 (2012 - £335,795) for loans between the companies

During the year the group entered into transactions with connected related parties, SSE Venture Capital Limited and with Carbon Trust Limited, the total amount included within other loans of SSE Rogerstone Limited amounts to £5,446,073 the total amount included within other loans of SSE Insource Energy Limited amounts to £1,004,622

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2013	2012
	£	£
Loss for the financial year	<u>(895,933)</u>	<u>(1,795,244)</u>
Net reduction of shareholders' funds	<u>(895,933)</u>	<u>(1,795,244)</u>
Opening shareholders' funds	<u>(1,515,025)</u>	<u>280,219</u>
Closing shareholders' funds	<u><u>(2,410,958)</u></u>	<u><u>(1,515,025)</u></u>

Company

	2013	2012
	£	£
Loss for the financial year	<u>(229,751)</u>	<u>(575,860)</u>
Net reduction of shareholders' funds	<u>(229,751)</u>	<u>(575,860)</u>
Opening shareholders' funds	<u>169,071</u>	<u>744,931</u>
Closing shareholders' funds	<u><u>(60,680)</u></u>	<u><u>169,071</u></u>

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The Balance sheet shows net liabilities at 31 March 2013 of £2,410,958
On 22 April 2013 the loans made by SSE and Carbon Trust have been waived

The current shareholder SSE Venture Capital Limited has agreed to support the company for the foreseeable future