

Registration number 08370340

The Electric Highway Company Limited

Directors' Report and Financial Statements

for the period from 22 January 2013 to 30 April 2013

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The Electric Highway Company Limited
Directors' report and financial statements
period from 22 January 2013 to 30 April 2013

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Directors' Report

The directors present their directors' report and financial statements for the period from 22 January 2013 to 30 April 2013

Incorporation

The company was incorporated on 22 January 2013 and commenced operations on that date

Directors of the company

The directors who held office during the period were as follows

Dale Vince

Paul Wheatcroft

Principal activity

The principal activity of the company is the installation of charging equipment and operation of a network to charge electric vehicles

Dividends

The directors do not recommend the payment of a dividend

Business review

The performance of the Company is considered to be satisfactory

Political donations

The Company made no political donations or incurred any political expenditure during the period

Charitable donations

The Company made no charitable donations during the period

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which the auditor is unaware

The Electric Highway Company Limited
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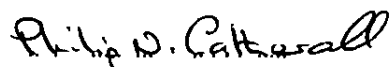
Directors' Report (continued)

Reappointment of auditor

Pursuant to section 485 of the Companies Act 2006, the directors have appointed KPMG LLP as auditor of the company

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

Approved by the Board on 26-4-13 and signed on its behalf by



Philip Catherall
Company secretary

Unicorn House
7 Russell Street
Stroud
Gloucestershire
GL5 3AX

26-4-2013

Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, 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 The Electric Highway Company Limited

We have audited the financial statements of The Electric Highway Company Limited for the period from 22 January 2013 to 30 April 2013, set out on pages 6 to 13. 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 Statement of Directors' Responsibilities (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 web site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 April 2013 and of its loss 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the members of The Electric Highway Company
Limited (continued)**

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



James Ledward (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
100 Temple Street
Bristol
BS1 6AG

Date 28-11-13

The Electric Highway Company Limited
Directors' report and financial statements
period from 22 January 2013 to 30 April 2013

Profit and Loss Account
for the Period from 22 January 2013 to 30 April 2013

	Note	22 January 2013 to 30 April 2013 £
Administrative expenses		<u>(10,074)</u>
Operating loss	3	<u>(10,074)</u>
Loss on ordinary activities before taxation		(10,074)
Tax on loss on ordinary activities	6	<u>(16,883)</u>
Loss for the financial period	12	<u>(26,957)</u>

Turnover and operating loss derive wholly from continuing operations

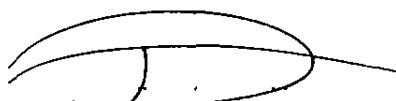
The company has no recognised gains or losses for the period other than the results above

The Electric Highway Company Limited
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Balance Sheet
as at 30 April 2013

	Note	30 April 2013 £
Fixed assets		
Tangible assets	7	325,650
Current assets		
Debtors	8	721,157
Creditors Amounts falling due within one year	9	<u>(1,056,781)</u>
Net current liabilities		<u>(335,624)</u>
Total assets less current liabilities		(9,974)
Provisions for liabilities	10	<u>(16,883)</u>
Net liabilities		<u><u>(26,857)</u></u>
Capital and reserves		
Called up share capital	11	100
Profit and loss account	12	<u>(26,957)</u>
Shareholder deficit	12	<u><u>(26,857)</u></u>

These financial statements were approved by the Board on ~~24~~ 11.13 and were signed by


Dale Vince
Director

Registration number 08370340

Notes to the Financial Statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules

Under FRS1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of the Group headed by Ecotricity Group Limited, the Company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with wholly owned entities which form part of the Group (or investees of the Group qualifying as related parties) The consolidated financial statements of Ecotricity Group Limited, within which this Company is included, can be obtained from the address given in note 13

Going concern

Notwithstanding net current liabilities of £335,624 and net liabilities of £26,857 the director has prepared the financial statements on a going concern basis which is considered appropriate for the following reasons The majority of current liabilities are owed to fellow Group companies and Group management have no intention of calling these debts in The director has reviewed the cash flow forecasts for the Group In particular the director notes that the Group's trading and cash flow performance since the balance sheet date is in line with these forecasts Taking account of reasonably possible changes in trading performance, the director is satisfied that the Group will generate sufficient cashflows to allow the Group to meet its liabilities as they fall due for payment for at least the next 12 months

Depreciation

Depreciation is provided to write off the cost less the residual of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Asset class	Depreciation method and rate
Plant and machinery	4 years

Notes to the Financial Statements

1 Accounting policies (continued)

Deferred tax

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19

2 Turnover

Turnover is derived for charging for the electricity used at the Chargepoints, and also from a maintenance contract to support the network. Electricity is not currently charged for, so turnover will relate to the maintenance contract, and is recognised in equal installments over the life of the contract. This did not commence during the period to 30th April 2013.

3 Operating loss

Operating loss is stated after charging

Auditor remuneration for the audit of these financial statements

22 January 2013
to 30 April 2013
£
936

Amounts receivable by the Company's auditor and their associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed for the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Ecotricity Group Limited

4 Particulars of employees

The company had no employees or staff costs in the period

5 Director remuneration

The directors' remuneration was borne by a fellow Group company in the period

Notes to the Financial Statements

6 Taxation

Tax on loss on ordinary activities

	22 January 2013 to 30 April 2013 £
Current tax	
Corporation tax charge	-
UK Corporation tax	-
Deferred tax	
Origination and reversal of timing differences	16,883
Total tax on loss on ordinary activities	16,883

Factors affecting current tax charge for the year

The tax on loss on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 23.92%.

The differences are reconciled below

	22 January 2013 to 30 April 2013 £
Loss on ordinary activities before tax	(10,074)
Corporation tax at standard rate	(2,410)
Capital allowances in excess of depreciation	(17,558)
Utilisation of tax losses	19,968
Total current tax	-

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

Notes to the Financial Statements

7 Tangible fixed assets

	Plant and machinery £	Assets under construction £	Total £
Cost			
On incorporation	-	-	-
Additions	49,614	276,036	325,650
At 30 April 2013	49,614	276,036	325,650
Depreciation			
On incorporation	-	-	-
Charge for the year	-	-	-
At 30 April 2013	-	-	-
Net book value			
At 30 April 2013	49,614	276,036	325,650

8 Debtors

	30 April 2013 £
Trade debtors	612,365
Other debtors	68,042
Prepayments and accrued income	40,750
	<u>721,157</u>

9 Creditors. Amounts falling due within one year

	30 April 2013 £
Trade creditors	440,653
Amounts owed to group undertakings	2,827
Accruals and deferred income	613,301
	<u>1,056,781</u>

Notes to the Financial Statements

10 Provisions for liabilities

	Deferred tax £
At 22 January 2013	-
Charged to the profit and loss account	<u>16,883</u>
At 30 April 2013	<u>16,883</u>

Analysis of deferred tax

	30 April 2013 £
Difference between accumulated depreciation and capital allowances	<u>(16,883)</u>

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly and further reduce the company's deferred tax liability at 30 April 2013 (which has been calculated based on the rate of 23% substantively enacted at the balance sheet date).

11 Called up share capital

Authorised share capital

	2013
	No. £
Ordinary shares of £1 each	<u>100 100</u>

Allotted, called up and fully paid shares

	30 April 2013
	No. £
Ordinary shares of £1 each	<u>100 100</u>

100 £1 shares were issued at par on incorporation. These are owned in full by Ecotricity Group Ltd.

Notes to the Financial Statements

12 Reconciliation of movements in shareholders' deficit

	Share capital	Profit and loss account	Total
	£	£	£
On incorporation	-	-	-
Share issue	100	-	100
Loss for the period	-	(26,957)	(26,957)
At end of period	100	(26,957)	(26,857)

13 Immediate and ultimate parent undertakings

The Company's ultimate parent undertaking is Ecotricity Group Limited, a Company incorporated in England and Wales

The immediate parent undertaking is Next Generation Wind Holdings Limited, a Company incorporated in England and Wales

The largest Group in which the results of the Company are consolidated is that headed by Ecotricity Group Limited. No other Group financial statements include the results of the Company. Consolidated financial statements of this Group may be obtained from Unicorn House, 7 Russell Street, Stroud, Gloucestershire, GL5 3AX