

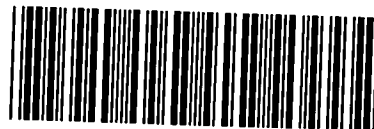
REGISTERED NUMBER: 06993470
England and Wales

CO-OPERATIVE ENERGY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE 53 WEEKS ENDED 28 JANUARY 2017

THURSDAY



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Co-operative Energy Limited

Directors' report and financial statements for the 53 weeks ended 28 January 2017

	Pages
Strategic report	1 – 2
Directors' report	3
Statement of Directors' Responsibilities	4
<i>Independent Auditor's report to the directors of Co-operative Energy Limited</i>	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Notes to the financial statements	9 – 16

Co-operative Energy Limited

Strategic report for the 53 weeks ended 28 January 2017

Review of the business

Co-operative Energy Limited reported significant growth over the year with the acquisition of 156,000 customers from GB Energy in November 2016. As a result, customers at year end had increased by 85% and sales reported a 16.5% improvement at £281m. However, in common with other suppliers, the gross margin reduced by 4% over the year due to unprecedented levels of volatility in the electricity market. This had a direct impact on net margin and generated a loss for the year.

During the year, the business achieved 45% of energy from renewable sources and electricity generated from coal fired power stations was no longer purchased. Co-operative Energy Limited continued to sponsor the Community Energy Conference at the start of the Co-operative Fortnight, which is the UK's largest annual gathering of community energy practitioners, and was recognised as Best Renewable Energy Supplier UK by Clean Energy. A new 100% green tariff was introduced with some of the profits donated to the Green Community Grant and the Travel Foundation.

Results for the period are set out on page 6.

Key performance indicators

	2017	2016
Gross sales	£281m	£241m
Gross margin	10.14%	14.80%
Net margin (before tax)	(2.71)%	0.42%
Customers on supply	424,000	229,000

Dividends

A dividend of £nil (2016: £nil) was paid during the period.

Principal risks and uncertainties

To tackle the dominance of the big six energy suppliers Co-operative Energy Limited continues to engage with policy makers and influencers at the highest level, campaigning for more transparency in the energy sector. In a bid to offer customers a wider choice of products, we offer a range of fixed-term tariffs to new and existing customers, which guarantee prices for one, two and three years.

Co-operative Energy Limited in common with other energy companies buys in the wholesale market where prices fluctuate with supply and demand. This presents a risk that if we buy off the wholesale market as and when we require supply to our customers, and wholesale prices rise sharply, we may be selling below cost. In order to mitigate this we operate a hedging strategy that we believe is broadly in line with other energy companies and smoothes the peaks and troughs of the wholesale market, enables us to predict with sufficient notice our supply cost so that we can adjust our selling price and also maintains buying competitiveness with other energy companies. This is achieved by buying power and gas up to 2 years into the future in tranches so that in the near future we have brought all of our forecast power and gas, and in the medium and longer term we have brought only a proportion of our forecast power and gas.

Cash flow risk arises from the difference in demand and payment. The majority of customers pay by an equal amount each month by direct debit, but demand and usage is seasonal based on the weather. This creates peaks and troughs in working capital where at the end of winter working capital is at its lowest point. With customer growth, wholesale price volatility and weather variations, the working capital movements are difficult to forecast and therefore difficult to manage.

Co-operative Energy Limited

Strategic report for the 53 weeks ended 28 January 2017

Principal risks and uncertainties (continued)

Credit risk arises from the possibility of customers failing to meet their obligations to the Company. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount.

**Approved by the Board of Directors
And signed on behalf of the Board**



Edward Parker
Secretary
24 July 2017

Co-operative Energy Limited

Directors' report for the 53 weeks ended 28 January 2017

Principal activity

Co-operative Energy Limited is an electricity and gas supply company.

Political donations

The company made no political donations during the period (2016: £nil).

Charitable donations

The company made no charitable donations during the period (2016: £nil).

Directors

S Allsopp	O Birch	B Connor	J Feeney	R FitzJohn
E Freeman	P H Gray OBE	M Lane	D Morrison	J Nunn-Price MBE
L Pevreal	B Rainford	H R Wiseman	V S Woodell	
I Burbidge	resigned	21 October 2016		
M Jarvis	resigned	21 October 2016		
C Booker	appointed	21 October 2016		
I Kirkman	appointed	21 October 2016		

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that they ought to have taken as director to make them aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

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

**Approved by the Board of Directors
And signed on behalf of the Board**



Edward Parker
Secretary
24 July 2017

Registered office: Co-operative House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA.

Co-operative Energy Limited
Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and the Financial Statements

The directors are responsible for preparing the Strategic Report, 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 period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 its result for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then use and apply them consistently;
- make judgements and 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 Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the Board.



Edward Parker, Secretary
24 July 2017

Independent Auditor's report to the directors of Co-operative Energy Limited

We have audited the financial statements of Co-operative Energy Limited for the 53 weeks ended 28 January 2017 set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 4, 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 (APB'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

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 January 2017 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 is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' Report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

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.



Simon Purkess (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

24 July 2017

Co-operative Energy Limited
Statement of Comprehensive Income for the 53 weeks ended 28 January 2017

	Note	2017 Before significant items £'000	2017 Significant items £'000	2017 Total £'000	2016 Total £'000
Turnover		281,458	-	281,458	240,666
Cost of sales		(252,931)	-	(252,931)	(204,889)
Gross profit		<u>28,527</u>	<u>-</u>	<u>28,527</u>	<u>35,777</u>
Administrative expenses		(32,442)	(3,716)	(36,158)	(34,836)
Operating (loss) / profit		<u>(3,915)</u>	<u>(3,716)</u>	<u>(7,631)</u>	<u>941</u>
(Loss) / profit on ordinary activities before taxation	2	<u>(3,915)</u>	<u>(3,716)</u>	<u>(7,631)</u>	<u>941</u>
Tax on profit on ordinary activities	7	903	743	1,646	678
(Loss) / profit for the financial year		<u><u>(3,012)</u></u>	<u><u>(2,973)</u></u>	<u><u>(5,985)</u></u>	<u><u>1,619</u></u>

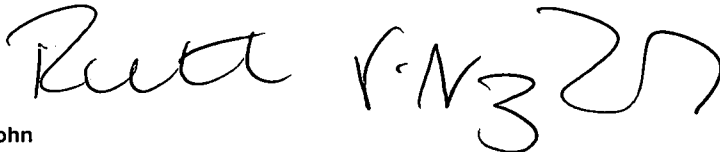
The results for 2017 and 2016 relate wholly to continuing operations.
The notes on pages 9 to 16 form an integral part of the financial statements.

Co-operative Energy Limited
Statement of Financial Position as at 28 January 2017
Registered no. 06993470

	Note	2017 £'000	2016 £'000
Fixed assets			
Intangible assets	8	24,103	140
Tangible assets	9	4,073	9,479
Investments	10	-	-
		<u>28,176</u>	<u>9,619</u>
Current assets			
Debtors	11	84,087	57,184
Cash at bank and in hand		235	972
		<u>84,322</u>	<u>58,156</u>
Creditors: amounts falling due within one year	12	<u>(114,030)</u>	<u>(63,501)</u>
Net current liabilities		<u>(29,708)</u>	<u>(5,345)</u>
Total assets less current liabilities		<u>(1,532)</u>	<u>4,274</u>
Provisions			
Deferred taxation	13	(179)	-
Net (liabilities) / assets		<u>(1,711)</u>	<u>4,274</u>
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account		(1,711)	4,274
Shareholders' (deficit) / funds		<u>(1,711)</u>	<u>4,274</u>

The notes on pages 9 to 16 form an integral part of the financial statements.

Signed on behalf of the board of directors



Ruth FitzJohn
Director

Approved by the board: 24 July 2017

Co-operative Energy Limited
Statement of Changes in Equity for the 53 weeks ended 28 January 2017

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 24 January 2015	-	2,655	2,655
Profit for the period	-	1,619	1,619
Total comprehensive income for the period	-	1,619	1,619
Balance at 23 January 2016	-	4,274	4,274
Loss for the period	-	(5,985)	(5,985)
Total comprehensive income for the period	-	(5,985)	(5,985)
Balance at 28 January 2017	<u>-</u>	<u>(1,711)</u>	<u>(1,711)</u>

The notes on pages 9 to 16 form an integral part of the financial statements.

Co-operative Energy Limited
Notes to the financial statements for the 53 weeks ended 28 January 2017

1. Accounting policies

Basis of preparation

i) Statement of compliance

Co-operative Energy Limited is a limited company domiciled in the United Kingdom. The financial statements for the period ended 28 January 2017 have been prepared in accordance with UK Accounting Standards – Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

ii) Basis of preparation

The financial statements are presented in pounds sterling (GBP), which is the Company's functional currency. All financial information presented in GBP has been rounded to the nearest thousand.

The financial statements have been prepared on a going concern basis, notwithstanding the net liability position at the end of the period, as the Company's parent society has given an undertaking that sufficient funds will be made available for the Company to continue to meet its financial obligations as they fall due for the foreseeable future.

In determining the appropriate basis of the financial statements the directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

The financial statements are prepared on a historical cost basis.

iii) Use of estimates and judgements

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- a) Measurement of the recoverable amounts from cash generating units containing goodwill;
- b) Valuation of financial instruments.

iv) UK Accounting Standards – Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) - exemptions

The Company's ultimate parent undertaking, The Midcounties Co-operative Limited includes the Company in its consolidated financial statements. The consolidated financial statements of The Midcounties Co-operative Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the Secretary, Co-operative House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA. Company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- (a) a Cash Flow Statements and related notes;
- (b) comparative period reconciliations for intangible assets;
- (c) disclosure in respect of transactions with wholly owned subsidiaries;
- (d) disclosures in respect of capital management;
- (e) the effects of new but not yet effective IFRSs;
- (f) disclosures in respect of the compensation of Key Management Personnel.

Co-operative Energy Limited
Notes to the financial statements for the 53 weeks ended 28 January 2017

1. Accounting policies (continued)

As the consolidated financial statements of The Midcounties Co-operative Limited include equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- (a) certain disclosures required by IAS 36 *Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets*;
- (b) certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the Company in prior periods including the comparative period reconciliation for goodwill; and
- (c) certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Accounting reference dates

For operational reasons the financial statements of the Company are prepared to the fourth Saturday in January. The financial statements of the Company are for the 53 weeks ended 28 January 2017 and are compared with a 52 week period to 23 January 2016.

Turnover

Revenue on energy sales comprises sales to retail end-user customers including an estimate of the value of electricity and gas supplied to customers between the date of the last meter reading and the year end. Unread energy sales are estimated using historical consumption patterns taking account of industry volume reconciliation processes. Revenue is recognised at point of delivery to end user.

Cost of sales

Energy supply includes the cost of gas and electricity purchased during the year taking into account the industry reconciliation process for total gas and total electricity usage by supplier, and related transportation and distribution costs.

Consolidation

The Company has taken advantage of Section 400 Companies Act 2006 exempting it from the requirement to produce consolidated financial statements on the grounds that the Company is included in consolidated financial statements for a larger group established under the law of a member state of the European Union, those of The Midcounties Co-operative Limited. These financial statements, therefore, present information about Co-operative Energy Limited as an individual Company and not as a group.

Taxation

Income tax expense comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity through other comprehensive income, in which case it is recognised as in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not recognised; the initial recognition of goodwill; the initial recognition of assets and liabilities that affect neither accounting or taxable profit other than in a business combination, and the differences relating to the investment in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Co-operative Energy Limited
Notes to the financial statements for the 53 weeks ended 28 January 2017

1. Accounting policies (continued)

Taxation (continued)

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Plant, Fixtures and Fittings 5% to 33.3% per annum

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Intangible assets, goodwill and negative goodwill

Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units. It is not amortised but is tested annually for impairment. This is not in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 which requires that all goodwill be amortised. The directors consider that this would fail to give a true and fair view of the profit for the year and that the economic measure of performance in any period is properly made by reference only to any impairment that may have arisen. It is not practicable to quantify the effect on the financial statements of this departure.

Negative goodwill

Negative goodwill arising on business combinations in respect of acquisitions is included within fixed assets and released to the profit and loss account in the periods in which the non-monetary assets arising on the same acquisition are recovered, whether through depreciation or sale. Any excess exceeding the fair value of non-monetary assets acquired shall be recognised in profit or loss in the periods expected to benefit.

Other intangible assets

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

The cost of an intangible asset acquired in a business combination is its fair value at the acquisition date.

Amortisation

Amortisation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Licences	10 years
Customer relationships	5 years

Co-operative Energy Limited
Notes to the financial statements for the 53 weeks ended 28 January 2017

1. Accounting policies (continued)

Financial instruments

Within its regular course of business, the Company routinely enters into sale and purchase derivative contracts for the commodities electricity and gas. These contracts are entered into and continue to be held for the purpose of receipt and delivery in accordance with the Company's expected sale, purchase or usage requirements. The contracts are designated as 'own use' contracts under IAS39 and are all measured at cost. Where surplus energy is purchased it is sold back to the open market and the related contractual commitments are then held at an appropriate fair value.

Non-derivative financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in debt and equity securities

Investments in unlisted investments are carried at cost.

Cash and cash equivalents

Cash and cash equivalents comprise of cash balances and call deposits. Bank overdrafts that are payable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

2. Turnover

Turnover represents amounts receivable for good and services net of VAT.

3. Profit on ordinary activities before taxation

The audit fee is met by the ultimate parent undertaking.

4. Directors' remuneration

The directors receive remuneration from The Midcounties Co-operative Limited in respect of their services to the company and receive no emoluments from the company. Their remuneration is reflected in the group financial statements of The Midcounties Co-operative Limited.

5. Employees

All staff including directors are employed by the ultimate holding society The Midcounties Co-operative Limited from which staff costs of £12,900,000 (2016: £9,948,000) are recharged. The emoluments of the directors are borne by the ultimate holding Society.

Co-operative Energy Limited
Notes to the financial statements for the 53 weeks ended 28 January 2017

6. Significant items

	2017 £'000	2016 £'000
Energy customer experience costs	<u>3,716</u>	<u>-</u>

The Company incurred significant one off costs in relation to improving the experience of energy customers and the payment of compensation to customers affected by a reduction in service. The reduction in service was the result of the introduction of a new IT system in March 2015. Since then, Ofgem have reported the Company has worked well with them and has restored customer service levels.

7. Taxation

	2017 Before significant items £'000	2017 Significant items £'000	2017 Total £'000	2016 Total £'000
Recognised in the profit and loss account				
UK corporation tax				
Current tax on income for the period	(1,234)	(743)	(1,977)	(800)
Adjustments in respect of prior periods	56	-	56	-
Total current tax	<u>(1,178)</u>	<u>(743)</u>	<u>(1,921)</u>	<u>(800)</u>
Deferred tax				
Origination and reversal of temporary differences	(44)	-	(44)	70
Recognition of previously unrecognised tax losses	330	-	330	42
Reduction in tax rate	(11)	-	(11)	10
Total deferred tax	<u>275</u>	<u>-</u>	<u>275</u>	<u>122</u>
Taxation on profit on ordinary activities	<u>(903)</u>	<u>(743)</u>	<u>(1,646)</u>	<u>(678)</u>
Reconciliation of effective tax rate				
(Loss) / profit for the year	(3,012)	(2,973)	(5,985)	1,619
Total tax expense	<u>(903)</u>	<u>(743)</u>	<u>(1,646)</u>	<u>(678)</u>
(Loss) / profit excluding taxation	(3,915)	(3,716)	(7,631)	941
Tax using the UK corporation tax rate of 20.00% (2016: 20.18%)	(783)	(743)	(1,526)	190
Reduction in tax rate on deferred tax balances	(11)	-	(11)	10
Non-deductible expenses	(495)	-	(495)	(920)
Over provided in prior years	56	-	56	-
Recognition of previously unrecognised tax losses	330	-	330	42
Total tax expense	<u>(903)</u>	<u>(743)</u>	<u>(1,646)</u>	<u>(678)</u>

Factors affecting future tax changes

A reduction in the UK corporation tax rate from 20% (effective from 1 April 2015) to 17% (effective from 1 April 2020) with an interim reduction to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015 and 15 September 2016. This will change the Company's future current tax charge accordingly. The deferred tax assets at 31 January 2017 have been calculated based on the rate of 17% substantively enacted at the balance sheet date.

The Company will respect all tax laws and will not structure transactions in a way which does not reflect genuine commercial reasons. This includes establishing operations in other jurisdictions for the purpose of evading or avoiding the tax laws of the United Kingdom.

Co-operative Energy Limited
Notes to the financial statements for the 53 weeks ended 28 January 2017

8. Intangible fixed assets

	Note	Purchased goodwill £'000	Licences £'000	Customer relationships £'000	Total £'000
Cost					
At 24 January 2015		-	140	-	140
At 23 January 2016		-	140	-	140
Additions					
Acquisition	15	6,311	3,029	8,346	15,883
Transfer		-	6,465	-	6,465
At 28 January 2017		6,311	10,860	8,346	25,517
Accumulated amortisation					
Charge for the year		-	615	-	615
Transfer		-	799	-	799
At 28 January 2017		-	1,414	-	1,414
Carrying amount					
At 23 January 2016		-	140	-	140
At 28 January 2017		6,311	9,446	8,346	24,103

The acquisition relates to GB Energy customers.

9. Tangible fixed assets

	Plant, fixtures & fittings £'000
Cost	
Transfer from the The Midcounties Co-operative Limited	11,180
At 23 January 2016	11,180
Additions	
Disposals	884
Transfer	(33)
Transfer from the The Midcounties Co-operative Limited	(6,465)
At 28 January 2017	842
Accumulated depreciation	
Provided in the year	1,701
At 23 January 2016	1,701
Provided in the year	
Disposals	1,165
Transfer	(34)
Transfer from the The Midcounties Co-operative Limited	(834)
At 28 January 2017	337
Carrying amount	
At 23 January 2016	9,479
At 28 January 2017	4,073

Co-operative Energy Limited
Notes to the financial statements for the 53 weeks ended 28 January 2017

10. Investments

	2017 £	2016 £
Energy Coop Limited	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

Name	Registered office address	Place of incorporation and operation	Nature of business	Proportion of ownership interest (%)	Proportion of voting power held (%)
Energy Coop Limited	Co-operative House, Warwick Technology Park, Gallows Hill, Warwick. CV34 6DA.	England & Wales	Dormant	100	100

11. Debtors

	2017 £'000	2016 £'000
Trade debtors	43,258	27,203
Other debtors	159	3,789
Prepayments and accrued income	40,601	26,095
Financial asset	69	-
Deferred taxation (note 11)	-	97
	<u>84,087</u>	<u>57,184</u>

12. Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Trade creditors	59,204	30,467
Accruals and deferred income	33,392	23,800
Financial liability	-	61
Onerous contracts	16,492	-
Amounts owed to group undertakings	4,942	9,173
	<u>114,030</u>	<u>63,501</u>

13. Deferred tax assets and liabilities

	Assets		Liabilities		Net	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Accelerated capital allowances	-	(110)	206	-	206	(110)
Other	(28)	-	-	13	(28)	13
Net tax (assets) / liabilities	<u>(28)</u>	<u>(110)</u>	<u>206</u>	<u>13</u>	<u>178</u>	<u>(97)</u>

There are £nil unrecognised deferred tax liabilities (2016: £nil).

14. Share capital

	2017 £	2016 £
Allotted, called up and fully paid:		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

Co-operative Energy Limited
Notes to the financial statements for the 53 weeks ended 28 January 2017

15. Acquisitions

The acquisition of GB Energy customers had the following effect on the Company's assets and liabilities.

	Recognised values on acquisition £'000
Acquiree's net assets at the acquisition date:	
Intangible assets	9,572
Trade and other debtors	20,510
Trade and other creditors	(34,793)
Net identifiable liabilities	(4,711)
Consideration paid:	
Initial cash price paid	1,600
Total consideration	1,600
Goodwill on acquisition	6,311

16. Operating leases

At 28 January 2017 the Company had the following annual commitments under non-cancellable plant and equipment leases expiring as follows:

	2017 £'000	2016 £'000
Less than one year	45	30
	45	30

17. Capital commitments

	2017 £'000	2016 £'000
Expenditure contracted but not provided for	6,011	-
	6,011	-

18. Contingent liability

The Company is party to a cross guarantee secured on the assets of the Company and other companies and societies in the group in respect of amounts owed by the group, at 28 January 2017 £58,582,000 (2016: £55,538,000). Details of group bank borrowings are disclosed in the group accounts of The Midcounties Co-operative Limited, copies of which may be obtained from the Secretary, Co-operative House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA.

19. Immediate and ultimate parent undertaking

The directors regard The Midcounties Co-operative Limited as the ultimate parent and ultimate controlling entity. Copies of the ultimate parent's consolidated financial statements may be obtained from the Secretary, Co-operative House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DA.

As the company is a wholly owned subsidiary of The Midcounties Co-operative Limited, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.