

Company Registration No. 09256482 (England and Wales)

TOTO ENERGY LTD.
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2017
PAGES FOR FILING WITH REGISTRAR



TOTO ENERGY LTD.

COMPANY INFORMATION

Directors	Mr C Allen Mr D Cosshall Mr P Fitzgerald Ms Z Norcliffe	(appointed 13 February 2017)
Company number	09256482	
Registered office	1st Floor Locksview East Lockside Brighton Marina Village Brighton East Sussex BN2 5HA	
Auditor	Henton & Co LLP 118 North Street Leeds West Yorkshire LS2 7PN	
Business address	1st Floor Locksview East Lockside Brighton Marina Village Brighton East Sussex BN2 5HA	

TOTO ENERGY LTD.

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TOTO ENERGY LTD.

BALANCE SHEET

AS AT 30 APRIL 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Intangible assets	3		1,353,654		167,270
Tangible assets	4		31,104		3,059
			<u>1,384,758</u>		<u>170,329</u>
Current assets					
Debtors	5	493,176		258,371	
Cash at bank and in hand		108,294		845,292	
		<u>601,470</u>		<u>1,103,663</u>	
Creditors: amounts falling due within one year	6	(2,182,541)		(356,192)	
Net current (liabilities)/assets			<u>(1,581,071)</u>		<u>747,471</u>
Total assets less current liabilities			<u>(196,313)</u>		<u>917,800</u>
Capital and reserves					
Called up share capital	7		100		100
Share premium account			949,900		949,900
Profit and loss reserves			(1,146,313)		(32,200)
Total equity			<u>(196,313)</u>		<u>917,800</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 30 January 2018 and are signed on its behalf by:



Ms Zoe Norcliffe
Director

Company Registration No. 09256482

TOTO ENERGY LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

Company information

Toto Energy Ltd. is a private company limited by shares incorporated in England and Wales. The registered office is 1st Floor Locksview, East Lockside, Brighton Marina Village, Brighton, East Sussex, BN2 5HA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

These financial statements for the period ended 30 April 2017 are the first financial statements of Toto Energy Ltd. prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 November 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

These financial statements cover the 6 month period from 1 November 2016 to 30 April 2017. The accounting period has been shortened to 30 April so as to be co-terminous with its parent company, Brighton & Leeds Utility Holdings Limited.

1.4 Turnover

Revenue comprises the sale of energy supplied to customers during the year exclusive of VAT and includes an estimate of the value of units supplied to properties between the date of the last meter reading and the year end.

1.5 Intangible fixed assets other than goodwill

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

Intangible assets include computer software and amounts paid to customer acquisition partners in respect of new customers. Such assets are defined as having finite useful lives and the costs are amortised on a straight line basis over their estimated useful lives. The useful life of customer acquisition costs is the expected period the customer will remain with Toto Energy Ltd. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

TOTO ENERGY LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

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

Software	3 years straight line
Customer acquisition costs	2-3 years straight line

1.6 Tangible fixed assets

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

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

Computer equipment	5 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Impairment of fixed assets

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

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

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

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

1.8 Cash at bank and in hand

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

TOTO ENERGY LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.9 Financial instruments

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

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

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

Basic financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

1.10 Equity instruments

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

1.11 Employee benefits

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

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

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

TOTO ENERGY LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.12 Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

1.13 Derivative financial instruments and hedging

The company uses commodity purchase contracts to hedge its exposure to fluctuations in gas and electricity commodity prices. When commodity purchase contracts have been entered into as part of the company's normal business activity, the company classifies them as "own use" contracts and outside the scope of FRS 102 (per FRS 102 para. 12.5). This is achieved when physical delivery takes place in accordance with the company's expected usage requirements.

1.14 Renewable obligations

The company recognises a liability in respect of Renewable Obligations payable to Ofgem in respect of energy supplied to customers at the ROC buy-out price or the price at which the obligation can be settled at the year end.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 36 (2016 - nil).

3 Intangible fixed assets

	Software	Customer acquisition costs	Total
	£	£	£
Cost			
At 1 November 2016	167,270	-	167,270
Additions	180,882	1,131,691	1,312,573
At 30 April 2017	348,152	1,131,691	1,479,843
Amortisation and impairment			
At 1 November 2016	-	-	-
Amortisation charged for the period	43,641	82,548	126,189
At 30 April 2017	43,641	82,548	126,189
Carrying amount			
At 30 April 2017	304,511	1,049,143	1,353,654
At 31 October 2016	167,270	-	167,270

TOTO ENERGY LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

4 Tangible fixed assets

	Computer equipment
	£
Cost	
At 1 November 2016	3,059
Additions	29,688
	<hr/>
At 30 April 2017	32,747
	<hr/>
Depreciation and impairment	
At 1 November 2016	-
Depreciation charged in the period	1,643
	<hr/>
At 30 April 2017	1,643
	<hr/>
Carrying amount	
At 30 April 2017	31,104
	<hr/> <hr/>
At 31 October 2016	3,059
	<hr/> <hr/>

5 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Amounts due from group undertakings	84,903	60,500
Other debtors	408,273	197,871
	<hr/>	<hr/>
	493,176	258,371
	<hr/> <hr/>	<hr/> <hr/>

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	749,144	49,992
Amounts due to group undertakings	340,538	-
Other taxation and social security	31,858	11,272
Other creditors	1,061,001	294,928
	<hr/>	<hr/>
	2,182,541	356,192
	<hr/> <hr/>	<hr/> <hr/>

TOTO ENERGY LTD.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

7	Called up share capital	2017	2016
		£	£
	Ordinary share capital		
	Issued and fully paid		
	100 Ordinary shares of £1 each	100	100
		<hr/>	<hr/>
		100	100
		<hr/>	<hr/>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The senior statutory auditor was Chris Howitt.
The auditor was Henton & Co LLP

9 Related party transactions

Transactions with related parties

At the period end, a loan balance of £84,903 was due from the company's parent, Brighton & Leeds Utility Holdings Limited. The balance is interest free and repayable on demand.

At the period end, a loan balance of £340,538 was due to fellow group company, Magnum Utilities Ltd. The balance is interest free and repayable on demand.

10 Parent company

The company's parent undertaking is Brighton & Leeds Utility Holdings Limited. The registered office and principal place of business is 1st Floor Locksview, East Lockside, Brighton Marina Village, Brighton, East Sussex, BN2 5HA.