

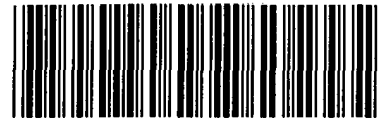
REGISTERED NUMBER: 06895776 (England and Wales)

Group Strategic Report, Report of the Directors and  
Consolidated Financial Statements for the Year Ended 31 March 2015

for

Loco2 Energy Limited

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Loco2 Energy Limited (Registered number: 06895776)

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for the Year Ended 31 March 2015

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Loco2 Energy Limited

Company Information  
for the Year Ended 31 March 2015

**DIRECTORS:**

Dr A R Middleton  
Mrs P A Middleton

**SECRETARY:**

Mrs P A Middleton

**REGISTERED OFFICE:**

Barkhill House  
Shire Lane  
Chorleywood  
Hertfordshire  
WD3 5NT

**REGISTERED NUMBER:**

06895776 (England and Wales)

**AUDITORS:**

Lee Accounting Services Limited  
Trading as Lee & Co  
Chartered Accountants & Statutory Auditors  
26 High Street  
Rickmansworth  
Hertfordshire  
WD3 1ER

Loco2 Energy Limited (Registered number: 06895776)

Group Strategic Report  
for the Year Ended 31 March 2015

The directors present their strategic report of the company and the group for the year ended 31 March 2015.

The 2014-15 financial year was one of transition for the Loco2 Energy group. Major strategic objectives were achieved in establishing the group as an independent business. The company produced a solid set of results given the circumstances and the major transition which took place. The gross profit turned out to be £1.41m an increase of 6% from £1.28m the year before on a turnover of £8.5m compared to £7.7m.

**REVIEW OF BUSINESS**

The Groups strategy is to develop LoCO2 Energy as an independent business within the TLS Energy Group. This year we have continued to implement our plan and Loco2 Energy became both an independent supplier and dual fuel supplier offering gas for the first time.

This transition required a new license and move away from our white label status with Opus Energy which resulted in new IT systems and transfer of all our customers to the new operating regime. This proved to be a monumental task and involved a considerable investment in systems and new members of staff.

The main focus of the 2014-15 financial year has therefore been this transformation of the company rather than its growth. Consequently growth this year was limited with final customer numbers approaching 9000 and turnover rising by 10% to £8.5m compared to £7.7m.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The UK electricity market has been under scrutiny from both politicians and the public throughout the year. Renewable energy now accounts for about 18% of the total electricity supply market and has become an important part of the UK energy mix. It is planned to grow further up to 30% share into the future. On the other hand, the rising cost of electricity supply has seen much criticism and consumer distrust of the industry (especially the dominant Big 6 players).

A major review of the supply industry came and went with only modest impact on small suppliers. Looking forward there are changes to the way electricity is traded and the introduction of smart metering to come in the years ahead which will provide challenges and opportunities for those companies which embrace the change.

We have seen the outcome of the two big elections with the SNP gaining ground in Scotland but failing to secure independence whilst we have seen a Tory majority government elected in the UK. This new government seems determined to slow the pace of Renewable Energy penetration or rather to reduce its cost to the electricity consumer despite being in favour of it. It also seems determined to enforce its overall plan of a mixed electricity generation portfolio by securing the development of Hinckley point and other major generation projects. Despite the uncertainty this delivers, we are determined to take our position in the development of renewable energy and energy supply to households in the UK.

**FINANCIAL PERFORMANCE**

The group continued to grow in terms of turnover and customer numbers however the financial performance has been weaker this year due to the elevated level of costs. Our operating costs have grown by 40 % to £1.4m compared to £1.0m in 2014 under the white label situation. This has resulted in the Group making a small loss of £22k across the year as a whole.

Loco2 Energy Limited (Registered number: 06895776)

Group Strategic Report  
for the Year Ended 31 March 2015

**FUTURE DEVELOPMENTS**

Looking to the future, our market position continues to be sustainable energy at sensible prices. This differentiates us from both the high cost renewable suppliers and the low cost fossil fuel suppliers. We believe this position is where the future of the market will develop and once the LoCO2 brand becomes more established we believe this will generate strong profitable growth.

Now we have established our independent status it has become clear we need to grow to establish a critical mass which appears to be somewhat higher than operating a white label operation. We will also need to contend with the dramatic falls in energy prices in both the retail and wholesale markets seen at the end of the financial year. Overall despite the uncertainty in the energy business in the next 12 months we are optimistic for the long term future of our business.

We have made significant advances in the development of the staff over the year and our staff numbers now a total of 35, a rise of 40% over the past 12 months. I would like to thank all our staff for their commitment to the company and to our expanding customer base.

**ON BEHALF OF THE BOARD:**



Mrs P A Middleton - Director

Date: 22/10/2015

Loco2 Energy Limited (Registered number: 06895776)

Report of the Directors  
for the Year Ended 31 March 2015

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2015.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2015.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2014 to the date of this report.

Dr A R Middleton  
Mrs P A Middleton

**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 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 auditors, Lee Accounting Services Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



Mrs P A Middleton - Director

Date: 22/10/2015

Report of the Independent Auditors to the Members of  
Loco2 Energy Limited

We have audited the financial statements of Loco2 Energy Limited for the year ended 31 March 2015 on pages seven to twenty one. 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 four, 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 Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 March 2015 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of  
Loco2 Energy Limited

**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.



John David Lee BA FCA (Senior Statutory Auditor)  
for and on behalf of Lee Accounting Services Limited  
Trading as Lee & Co  
Chartered Accountants & Statutory Auditors  
26 High Street  
Rickmansworth  
Hertfordshire  
WD3 1ER

Date: 22/1/15 .....



Loco2 Energy Limited (Registered number: 06895776)

Consolidated Profit and Loss Account  
for the Year Ended 31 March 2015

	Notes	31.3.15 £	31.3.14 £
<b>TURNOVER</b>	2	<b>8,522,973</b>	7,665,385
Cost of sales		<u>7,109,439</u>	<u>6,396,449</u>
<b>GROSS PROFIT</b>		<b>1,413,534</b>	1,268,936
Administrative expenses		<u>1,436,022</u>	<u>1,068,369</u>
<b>OPERATING (LOSS)/PROFIT</b>	4	<b>(22,488)</b>	200,567
Interest receivable and similar income		<u>116</u>	<u>-</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(22,372)</b>	200,567
Tax on (loss)/profit on ordinary activities	5	<u>(4,475)</u>	<u>45,493</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>		<b>(17,897)</b>	<u>155,074</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 loss for the current year and the profit for the previous year.

The notes form part of these financial statements

Consolidated Balance Sheet  
31 March 2015

	Notes	31.3.15		31.3.14	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	8		182,636		40,199
Tangible assets	9		30,224		18,763
Investments	10		-		-
			<u>212,860</u>		<u>58,962</u>
<b>CURRENT ASSETS</b>					
Stocks	11	364,209		46,627	
Debtors	12	2,171,245		2,890,007	
Cash at bank		798,380		683,773	
		<u>3,333,834</u>		<u>3,620,407</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	3,390,598		3,501,624	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(56,764)</u>		<u>118,783</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>156,096</u>		<u>177,745</u>
<b>PROVISIONS FOR LIABILITIES</b>	15		-		3,752
<b>NET ASSETS</b>			<u><u>156,096</u></u>		<u><u>173,993</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		2		2
Profit and loss account	17		156,094		173,991
<b>SHAREHOLDERS' FUNDS</b>	21		<u><u>156,096</u></u>		<u><u>173,993</u></u>

The financial statements were approved by the Board of Directors on 22 Oct 2015 and were signed on its behalf by:

  
Dr A R Middleton - Director

Loco2 Energy Limited (Registered number: 06895776)

Company Balance Sheet  
31 March 2015

	Notes	31.3.15		31.3.14	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	8		182,636		40,199
Tangible assets	9		30,224		18,763
Investments	10		1		1
			<u>212,861</u>		<u>58,963</u>
<b>CURRENT ASSETS</b>					
Stocks	11	364,209		46,627	
Debtors	12	1,985,286		2,890,006	
Cash at bank		744,099		683,773	
		<u>3,093,594</u>		<u>3,620,406</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	3,150,359		3,501,624	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(56,765)</u>		<u>118,782</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>156,096</u>		<u>177,745</u>
<b>PROVISIONS FOR LIABILITIES</b>				-	3,752
<b>NET ASSETS</b>			<u>156,096</u>		<u>173,993</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		2		2
Profit and loss account	17	156,094		173,991	
<b>SHAREHOLDERS' FUNDS</b>			<u>156,096</u>		<u>173,993</u>

The financial statements were approved by the Board of Directors on 22 Oct 2015 and were signed on its behalf by:

Dr A R Middleton  
Dr A R Middleton - Director

The notes form part of these financial statements

Loco2 Energy Limited (Registered number: 06895776)

Consolidated Cash Flow Statement  
for the Year Ended 31 March 2015

	Notes	31.3.15 £	31.3.14 £
<b>Net cash inflow from operating activities</b>	1	374,032	533,477
<b>Returns on investments and servicing of finance</b>	2	116	-
<b>Taxation</b>		(42,642)	-
<b>Capital expenditure</b>	2	(216,899)	(69,941)
<b>Equity dividends paid</b>		-	(40,000)
		<u>114,607</u>	<u>423,536</u>
<b>Financing</b>	2	-	(1)
<b>Increase in cash in the period</b>		<u>114,607</u>	<u>423,535</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
Increase in cash in the period		<u>114,607</u>	<u>423,535</u>
Change in net funds resulting from cash flows		<u>114,607</u>	<u>423,535</u>
<b>Movement in net funds in the period</b>		<u>114,607</u>	<u>423,535</u>
<b>Net funds at 1 April</b>		<u>683,773</u>	<u>260,238</u>
<b>Net funds at 31 March</b>		<u>798,380</u>	<u>683,773</u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement  
for the Year Ended 31 March 2015

1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.3.15	31.3.14
	£	£
Operating (loss)/profit	(22,488)	200,567
Depreciation charges	63,001	19,885
Increase in stocks	(317,582)	(28,562)
Decrease/(increase) in debtors	719,485	(1,200,921)
(Decrease)/increase in creditors	(68,384)	1,542,508
<b>Net cash inflow from operating activities</b>	<b>374,032</b>	<b>533,477</b>

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

	31.3.15	31.3.14
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	116	-
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>116</b>	<b>-</b>
<b>Capital expenditure</b>		
Purchase of intangible fixed assets	(190,609)	(50,249)
Purchase of tangible fixed assets	(26,290)	(19,692)
<b>Net cash outflow for capital expenditure</b>	<b>(216,899)</b>	<b>(69,941)</b>
<b>Financing</b>		
Amount withdrawn by directors	-	(1)
<b>Net cash outflow from financing</b>	<b>-</b>	<b>(1)</b>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.14	Cash flow	At
	£	£	31.3.15
			£
Net cash:			
Cash at bank	683,773	114,607	798,380
	<u>683,773</u>	<u>114,607</u>	<u>798,380</u>
Total	<u>683,773</u>	<u>114,607</u>	<u>798,380</u>

Notes to the Consolidated Financial Statements  
for the Year Ended 31 March 2015

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.

**Patents and licences**

Patents and licences are valued at historic cost less provisions for amortisation or impairment in value. Patents and licences are being amortised over their useful life of five years.

**Tangible fixed assets**

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

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 50% on cost and 25% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

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

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

2. **TURNOVER**

The turnover and loss (2014 - profit) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	31.3.15	31.3.14
	£	£
Domestic electricity	5,810,386	5,580,741
Commercial electricity	2,648,763	1,969,421
Other fees & charges	63,824	115,223
	<u>8,522,973</u>	<u>7,665,385</u>

3. **STAFF COSTS**

	31.3.15	31.3.14
	£	£
Wages and salaries	718,225	432,759
Social security costs	63,094	35,690
Other pension costs	33,520	16,643
	<u>814,839</u>	<u>485,092</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2015

3. **STAFF COSTS - continued**

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

	31.3.15	31.3.14
Senior management	4	2
Administration	18	9
Customer service	4	4
Finance	3	3
	<u>29</u>	<u>18</u>

4. **OPERATING (LOSS)/PROFIT**

The operating loss (2014 - operating profit) is stated after charging:

	31.3.15	31.3.14
	£	£
Depreciation - owned assets	14,829	9,835
Patents and licences amortisation	48,172	10,050
Auditors' remuneration	4,250	3,000
Auditors' remuneration for non audit work	5,750	4,750
	<u>73,001</u>	<u>27,635</u>
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

5. **TAXATION**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	31.3.15	31.3.14
	£	£
Current tax:		
UK corporation tax	-	42,642
Deferred tax	(4,475)	2,851
	<u>(4,475)</u>	<u>45,493</u>
Tax on (loss)/profit on ordinary activities	<u>(4,475)</u>	<u>45,493</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2015

5. **TAXATION - continued**

**Factors affecting the tax (credit)/charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.15	31.3.14
	£	£
(Loss)/profit on ordinary activities before tax	<u>(22,372)</u>	<u>200,567</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 - 23%)	(4,698)	46,130
Effects of:		
Capital allowances in excess of depreciation	(2,407)	(2,267)
Utilisation of tax losses	-	(1,012)
Marginal relief	-	(209)
Losses carried forward	<u>7,105</u>	<u>-</u>
Current tax (credit)/charge	<u>-</u>	<u>42,642</u>

**Factors that may affect future tax charges**

The group is carrying forward tax losses of £33,833 (2014: £0) to relieve in future periods.

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 £(17,897) (2014 - £155,074 profit).

7. **DIVIDENDS**

	31.3.15	31.3.14
	£	£
Ordinary shares of £1 each		
Final	<u>-</u>	<u>40,000</u>



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2015

8. INTANGIBLE FIXED ASSETS

<b>Group</b>	<b>Patents and licences £</b>
<b>COST</b>	
At 1 April 2014	50,249
Additions	190,609
	<hr/>
At 31 March 2015	240,858
	<hr/>
<b>AMORTISATION</b>	
At 1 April 2014	10,050
Amortisation for year	48,172
	<hr/>
At 31 March 2015	58,222
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 March 2015	182,636
	<hr/> <hr/>
At 31 March 2014	40,199
	<hr/> <hr/>
 <b>Company</b>	
	<b>Patents and licences £</b>
<b>COST</b>	
At 1 April 2014	50,249
Additions	190,609
	<hr/>
At 31 March 2015	240,858
	<hr/>
<b>AMORTISATION</b>	
At 1 April 2014	10,050
Amortisation for year	48,172
	<hr/>
At 31 March 2015	58,222
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 March 2015	182,636
	<hr/> <hr/>
At 31 March 2014	40,199
	<hr/> <hr/>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2015

9. TANGIBLE FIXED ASSETS

<b>Group</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 April 2014	-	42,604	42,604
Additions	4,113	22,177	26,290
	<hr/>	<hr/>	<hr/>
At 31 March 2015	4,113	64,781	68,894
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 April 2014	-	23,841	23,841
Charge for year	1,028	13,801	14,829
	<hr/>	<hr/>	<hr/>
At 31 March 2015	1,028	37,642	38,670
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 March 2015	3,085	27,139	30,224
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2014	-	18,763	18,763
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Company</b>			
	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 April 2014	-	42,604	42,604
Additions	4,113	22,177	26,290
	<hr/>	<hr/>	<hr/>
At 31 March 2015	4,113	64,781	68,894
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 April 2014	-	23,841	23,841
Charge for year	1,028	13,801	14,829
	<hr/>	<hr/>	<hr/>
At 31 March 2015	1,028	37,642	38,670
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 March 2015	3,085	27,139	30,224
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2014	-	18,763	18,763
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2015

10. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
<b>COST</b>	
At 1 April 2014 and 31 March 2015	1
<b>NET BOOK VALUE</b>	
At 31 March 2015	1
At 31 March 2014	1

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiary**

**Loco2 Energy Supply Limited**

Nature of business: Electricity distribution

Class of shares:	%		
Ordinary	holding		
	100.00	31.3.15	31.3.14
		£	£
Aggregate capital and reserves		1	1

11. STOCKS

	Group		Company	
	31.3.15	31.3.14	31.3.15	31.3.14
	£	£	£	£
Stocks	364,209	46,627	364,209	46,627

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.15	31.3.14	31.3.15	31.3.14
	£	£	£	£
Trade debtors	1,778,324	492,517	1,778,324	492,517
Amounts owed by group undertakings	-	-	171,164	-
Other debtors	259,210	-	-	-
Directors' current accounts	3	3	2	2
VAT	-	72,605	-	72,605
Deferred tax asset	723	-	723	-
Accrued income	50,868	1,778,485	26,740	1,778,485
Prepayments	82,117	546,397	8,333	546,397
	<u>2,171,245</u>	<u>2,890,007</u>	<u>1,985,286</u>	<u>2,890,006</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2015

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Deferred tax asset

	Group		Company	
	31.3.15	31.3.14	31.3.15	31.3.14
	£	£	£	£
Accelerated capital allowances	(6,044)	-	(6,044)	-
Tax losses carried forward	6,767	-	6,767	-
	<u>723</u>	<u>-</u>	<u>723</u>	<u>-</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.15	31.3.14	31.3.15	31.3.14
	£	£	£	£
Trade creditors	568,830	562,425	492,533	562,425
Tax	-	42,642	-	42,642
Social security and other taxes	18,629	11,361	18,629	11,361
VAT	6,344	-	34,068	-
Other creditors	5,543	6,861	5,543	6,861
Deferred income	1,088,312	1,838,782	1,088,312	1,838,782
Accrued expenses	1,702,940	1,039,553	1,511,274	1,039,553
	<u>3,390,598</u>	<u>3,501,624</u>	<u>3,150,359</u>	<u>3,501,624</u>

14. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

Group

	Land and buildings		Other operating leases	
	31.3.15	31.3.14	31.3.15	31.3.14
	£	£	£	£
Expiring:				
Within one year	-	-	25,000	70,000
Between one and five years	49,000	40,000	269,183	223,033
	<u>49,000</u>	<u>40,000</u>	<u>294,183</u>	<u>293,033</u>

Company

	Land and buildings		Other operating leases	
	31.3.15	31.3.14	31.3.15	31.3.14
	£	£	£	£
Expiring:				
Within one year	-	-	25,000	70,000
Between one and five years	49,000	40,000	269,183	245,533
	<u>49,000</u>	<u>40,000</u>	<u>294,183</u>	<u>315,533</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2015

15. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.15	31.3.14	31.3.15	31.3.14
	£	£	£	£
Deferred tax	-	3,752	-	3,752
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Group</b>				<b>Deferred tax</b>
				<b>£</b>
Balance at 1 April 2014				3,752
Provided during year				2,292
Utilised during year				(6,767)
				<u>          </u>
Balance at 31 March 2015				<u>(723)</u>
<b>Company</b>				<b>Deferred tax</b>
				<b>£</b>
Balance at 1 April 2014				3,752
Provided during year				2,292
Utilised during year				(6,767)
				<u>          </u>
Balance at 31 March 2015				<u>(723)</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.3.15	31.3.14
Number:	Class:	Nominal value:	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

17. RESERVES

<b>Group</b>	<b>Profit and loss account</b>
	<b>£</b>
At 1 April 2014	173,991
Deficit for the year	(17,897)
	<u>          </u>
At 31 March 2015	<u>156,094</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2015

17. RESERVES - continued

Company

	Profit and loss account £
At 1 April 2014	173,991
Deficit for the year	(17,897)
At 31 March 2015	<u>156,094</u>

18. ULTIMATE PARENT COMPANY

TLS Hydro Power Limited is regarded by the directors as being the company's ultimate parent company.

19. RELATED PARTY DISCLOSURES

**Tradelink Solutions Limited**

A company under the control of the directors

During the year, the group made sales of £98,695 (2014: £47,558) to and purchases of £790,893 (2014: £188,041) from the related party.

	31.3.15 £	31.3.14 £
Amount due from/(to) related party at the balance sheet date	<u>37,285</u>	<u>(33,312)</u>

**TLS Hydro Power Limited**

A company under the control of the directors

During the year, the group made sales of £5,842 (2014: £3,866) to and purchases of £155,137 (2014: £45,942) from the related party.

	31.3.15 £	31.3.14 £
Amount due to related party at the balance sheet date	<u>22,413</u>	<u>-</u>

**Nenthead Mines Hydro Power Limited**

A company under the control of the directors

During the year, the group made sales of £2,224 (2014: £1,544) to and purchases of £39,942 (2014: £0) from the related party.

	31.3.15 £	31.3.14 £
Amount due to related party at the balance sheet date	<u>7,748</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2015

**19. RELATED PARTY DISCLOSURES - continued**

**Irene Power Company Limited**

A company under the control of the directors

During the year, the group made sales of £1,604 (2014: £1,320) to and purchases of £102,243 (2014: £57,734) from the related party.

	31.3.15	31.3.14
	£	£
Amount due to related party at the balance sheet date	<u>1,091</u>	<u>-</u>

**Slatash Hydro Power Limited**

A company under the control of the directors

During the year, the group made sales of £1,586 (2014: £976) to and purchases of £225,691 (2014: £140,147) from the related party.

	31.3.15	31.3.14
	£	£
Amount due to related party at the balance sheet date	<u>1,851</u>	<u>7</u>

**20. ULTIMATE CONTROLLING PARTY**

The company is under the control of the directors through their majority shareholding in the ultimate holding company.

**21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**Group**

	31.3.15	31.3.14
	£	£
(Loss)/profit for the financial year	(17,897)	155,074
Dividends	-	(40,000)
<b>Net (reduction)/addition to shareholders' funds</b>	<u>(17,897)</u>	<u>115,074</u>
Opening shareholders' funds	173,993	58,919
<b>Closing shareholders' funds</b>	<u>156,096</u>	<u>173,993</u>

**Company**

	31.3.15	31.3.14
	£	£
(Loss)/profit for the financial year	(17,897)	155,074
Dividends	-	(40,000)
<b>Net (reduction)/addition to shareholders' funds</b>	<u>(17,897)</u>	<u>115,074</u>
Opening shareholders' funds	173,993	58,919
<b>Closing shareholders' funds</b>	<u>156,096</u>	<u>173,993</u>