

## I Supply Energy Limited

Directors' Report and Financial Statements

for the Year Ended 31 March 2015

TUESDAY



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22/12/2015  
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# I Supply Energy Limited

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# I Supply Energy Limited

## Company Information

<b>Directors</b>	Mr R J H Richmond Mr R G Gildert
<b>Company secretary</b>	Mr R J H Richmond
<b>Registered number</b>	06053905
<b>Registered office</b>	37 Commercial Road Poole Dorset BH14 0HU
<b>Independent auditors</b>	Inspire Audit Ltd Statutory Auditors 37 Commercial Road Poole Dorset BH14 0HU

# I Supply Energy Limited

## Strategic report For the year ended 31 March 2015

### Introduction

The directors present their strategic report for the year ended 31 March 2015.

### Business review

The company commenced trading in 2012 and has experienced strong customer growth within the electricity market, with 42,463 customers at 31 March 2015, an increase of 48.8% on the prior year.

Revenue for the year to 31 March 2015 was £31.0m (31 March 2014 - £13.2m) reflecting the growth in customer base.

Growth will be further driven by entrance into the gas market, and the launch of new products.

### Principal risks and uncertainties

The principal risks of the company are:

**The uncertainty around wholesale price of electricity:** To mitigate this risk electricity is purchased under forward contracts with customers signing up to a one year fixed contract. Energy is purchased to match customer demand.

**Competitor pricing policies:** The company operates in a very competitive market and aims to be a competitive electricity supplier but ensuring profitability at all times.

**Bad debt risk:** This is limited due to customers signing up to a monthly direct debit and there is also a collections process in place to capture customers potentially going into arrears.

**Systems failure:** The company is heavily reliant on its information technology systems. Before the systems are updated they are thoroughly tested where they have an impact on critical functions.

There is always the risk the company grows too quickly. This growth is controlled by appropriate pricing policies agreed and monitored by the directors.

### Financial key performance indicators

The Key Performance Indicators are monitored by the Board on a regular basis.

	31 March 2015	31 March 2014
Sales	£31.0m	£13.2m
Customer numbers	42,463	28,529
Gross margin	6.3%	7%
Cash	£1.63m	£0.5m

Non-financial Key Performance Indicators include complaint levels.

This report was approved by the board and signed on its behalf.



.....  
Mr R J H Richmond  
Director

Date: 17/12/15

## I Supply Energy Limited

### Directors' report For the year ended 31 March 2015

The directors present their report and the audited financial statements for the year ended 31 March 2015.

#### Principal activities

The principal activity of the company is that of a feed in tariff supplier and electricity supply company.

#### Directors

The directors who served during the year were:

Mr R J H Richmond  
Mr R G Gildert

#### Financial risk management objectives and policies

In accordance with section 414C(11) items required under schedule 7 are included within the company's strategic report.

#### Disclosure of information to auditors


Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### Auditors

The auditors, Inspire Audit Ltd, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....  
Mr R J H Richmond  
Director

Date: 17/12/15

## **I Supply Energy Limited**

### **Directors' responsibilities statement For the year ended 31 March 2015**

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 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 profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 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.

## **I Supply Energy Limited**

### **Independent auditors' report to the shareholders of I Supply Energy Limited**

We have audited the financial statements of I Supply Energy Limited for the year ended 31 March 2015, set out on pages 7 to 14. 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 an Auditors' 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 auditors**

As explained more fully in the Directors' responsibilities statement, 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 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 Strategic report and the Directors' report 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 company's affairs as at 31 March 2015 and of its profit 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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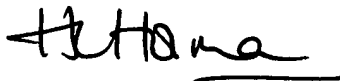
## I Supply Energy Limited

### Independent auditors' report to the shareholders of I Supply 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, 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.



Mrs Helen Claire Holman (Senior statutory auditor)

for and on behalf of

**Inspire Audit Ltd**

Statutory Auditors

37 Commercial Road

Poole

Dorset

BH14 0HU

Date: 21.12.15



## I Supply Energy Limited

### Profit and loss account For the year ended 31 March 2015

	Note	2015 £	2014 £
Turnover	1,2	31,010,965	13,209,663
Cost of sales		(29,063,035)	(12,280,603)
<b>Gross profit</b>		<b>1,947,930</b>	<b>929,060</b>
Administrative expenses		(1,942,369)	(588,444)
<b>Operating profit</b>	3	<b>5,561</b>	<b>340,616</b>
Interest receivable and similar income		12,270	5,064
<b>Profit on ordinary activities before taxation</b>		<b>17,831</b>	<b>345,680</b>
Tax on profit on ordinary activities	6	(8,047)	(55,312)
<b>Profit for the financial year</b>	13	<b>9,784</b>	<b>290,368</b>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

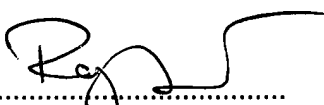
The notes on pages 9 to 14 form part of these financial statements.

**I Supply Energy Limited**  
**Registered number: 06053905**

**Balance sheet**  
**As at 31 March 2015**

	Note	2015		2014	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	7		8,946		10,437
Tangible assets	8		47,168		15,858
			<u>56,114</u>		<u>26,295</u>
<b>Current assets</b>					
Debtors	9	5,998,593		3,485,812	
Cash at bank and in hand		1,638,150		509,848	
		<u>7,636,743</u>		<u>3,995,660</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(7,209,978)</u>		<u>(3,528,765)</u>	
<b>Net current assets</b>			<u>426,765</u>		<u>466,895</u>
<b>Total assets less current liabilities</b>			<u>482,879</u>		<u>493,190</u>
<b>Provisions for liabilities</b>					
Deferred tax	11		(13,552)		(3,647)
<b>Net assets</b>			<u>469,327</u>		<u>489,543</u>
<b>Capital and reserves</b>					
Called up share capital	12		100,002		100,002
Profit and loss account	13		369,325		389,541
<b>Shareholders' funds</b>	14		<u>469,327</u>		<u>489,543</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
 .....  
**Mr R J H Richmond**  
 Director

Date: 17/12/15

The notes on pages 9 to 14 form part of these financial statements.

# I Supply Energy Limited

## Notes to the financial statements For the year ended 31 March 2015

### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

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

#### 1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS1.

#### 1.3 Revenue recognition and significant uncertainty

Revenue is recognised on the basis of energy supplied during the year. The majority of customers are billed quarterly, with the remainder billed monthly. Where meter readings have not been provided this includes an assessment of energy supplied to customers between the date of the last meter reading and the year end. This is estimated using historical usage patterns, the most recent industry supplied consumption estimates and the tariffs for any given customer.

#### 1.4 Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Amortisation is provided at the following rates:

Electricity, licences and trade marks - 10 years straight line

#### 1.5 Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Website development	-	3 yrs straight line
Fixtures and fittings	-	25% reducing balance
Office equipment	-	3 yrs straight line

#### 1.6 Deferred tax

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

#### 1.7 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

## I Supply Energy Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 2. Turnover

The whole of the turnover is attributable to the supply of energy to customers.

All turnover arose within the United Kingdom.

#### 3. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Amortisation of electricity licences and trademark	1,491	1,491
Depreciation of tangible fixed assets:		
- owned by the company	14,591	10,148
	<u>16,082</u>	<u>11,639</u>

#### 4. Auditors' remuneration

	2015 £	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	16,000	-
	<u>16,000</u>	<u>-</u>

#### 5. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL).

# I Supply Energy Limited

## Notes to the financial statements For the year ended 31 March 2015

### 6. Taxation

	2015 £	2014 £
<b>Analysis of tax (credit)/charge in the year</b>		
<b>Current tax (see note below)</b>		
UK corporation tax charge on profit for the year	-	52,278
Adjustments in respect of prior periods	(1,858)	-
<b>Total current tax</b>	<u>(1,858)</u>	<u>52,278</u>
<b>Deferred tax (see note 11)</b>		
Origination and reversal of timing differences	9,905	3,034
<b>Tax on profit on ordinary activities</b>	<u>8,047</u>	<u>55,312</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is the same as (2014 - the same as) the standard rate of corporation tax in the UK of 21% (2014 - 23%) as set out below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>17,831</u>	<u>345,680</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	3,745	79,506
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	615	-
Capital allowances for year in excess of depreciation	(6,262)	(2,616)
Utilisation of tax losses	1,916	-
Adjustments to tax charge in respect of prior periods	(1,858)	-
Other differences leading to an increase (decrease) in the tax charge	-	(3,855)
Group relief	(14)	-
Change in corporation tax rate during the year	-	(22,615)
Under provision	-	1,858
<b>Current tax (credit)/charge for the year (see note above)</b>	<u>(1,858)</u>	<u>52,278</u>

## I Supply Energy Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 7. Intangible fixed assets

	Electricity licences and trade marks £
<b>Cost</b>	
At 1 April 2014 and 31 March 2015	14,910
<b>Amortisation</b>	
At 1 April 2014	4,473
Charge for the year	1,491
At 31 March 2015	5,964
<b>Net book value</b>	
At 31 March 2015	8,946
At 31 March 2014	10,437

#### 8. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Website development £	Total £
<b>Cost</b>				
At 1 April 2014	6,783	16,157	9,200	32,140
Additions	20,493	23,245	2,163	45,901
At 31 March 2015	27,276	39,402	11,363	78,041
<b>Depreciation</b>				
At 1 April 2014	1,696	5,386	9,200	16,282
Charge for the year	3,362	11,131	98	14,591
At 31 March 2015	5,058	16,517	9,298	30,873
<b>Net book value</b>				
At 31 March 2015	22,218	22,885	2,065	47,168
At 31 March 2014	5,087	10,771	-	15,858

#### 9. Debtors

	2015 £	2014 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	1,187,020	287,021
<b>Due within one year</b>		
Amounts owed by group undertakings	9,423	-
Other debtors	3,839,342	2,093,010
Prepayments and accrued income	962,808	1,105,781
	5,998,593	3,485,812

# I Supply Energy Limited

## Notes to the financial statements For the year ended 31 March 2015

### 10. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	596,675	405,161
Corporation tax	-	52,278
Other creditors	337,467	-
Accruals and deferred income	6,275,836	3,071,326
	<u>7,209,978</u>	<u>3,528,765</u>

### 11. Deferred taxation

	2015 £	2014 £
At beginning of year	3,647	613
Charge for year (P&L)	9,905	3,034
	<u>13,552</u>	<u>3,647</u>
At end of year	<u>13,552</u>	<u>3,647</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>13,552</u>	<u>3,647</u>

### 12. Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
100,002 Ordinary shares shares of £1 each	<u>100,002</u>	<u>100,002</u>

### 13. Reserves

	Profit and loss account £
At 1 April 2014	389,541
Profit for the financial year	9,784
Dividends: Equity capital	(30,000)
	<u>369,325</u>
At 31 March 2015	<u>369,325</u>

## I Supply Energy Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 14. Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds	489,543	199,175
Profit for the financial year	9,784	290,368
Dividends (Note 15)	(30,000)	-
	<hr/>	<hr/>
Closing shareholders' funds	469,327	489,543
	<hr/> <hr/>	<hr/> <hr/>

#### 15. Dividends

	2015 £	2014 £
Dividends paid on equity capital	30,000	-
	<hr/> <hr/>	<hr/> <hr/>

#### 16. Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

#### 17. Ultimate parent undertaking and controlling party

The company is controlled by Gilmond Holdings Limited by virtue of its 100% shareholding in the company's issued share capital. The ultimate controlling parties are Mr R J H Richmond and Mr R G Gildert by virtue of their majority shareholding in the ultimate parent company, Gilmond Holdings Limited.

Consolidated financial statements are prepared by the ultimate parent company and copies are available at Companies House.