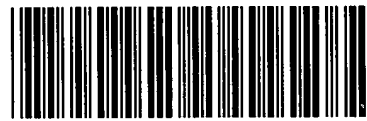


HUDSON ENERGY SUPPLY UK LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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COMPANIES HOUSE

HUDSON ENERGY SUPPLY UK LIMITED

COMPANY INFORMATION

DIRECTORS

Ms D D Merrill (appointed 1 April 2014)
Mr J W Lewis (appointed 25 June 2015)
Ms J E Thornton (appointed 25 June 2015)
Mr H D Segal (resigned 25 June 2015)
Miss E A Summers (resigned 22 August 2014)
Mr K M Hartwick (resigned 1 April 2014)

REGISTERED NUMBER

07489042

REGISTERED OFFICE

17 Hanover Square
Fasken Martineau LLP
London
W1S 1HU

INDEPENDENT AUDITORS

Larking Gowen Limited
Chartered Accountants & Statutory Auditors
1 Claydon Business Park
Great Blakenham
Ipswich
Suffolk
IP6 0NL

HUDSON ENERGY SUPPLY UK LIMITED

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HUDSON ENERGY SUPPLY UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

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

DIRECTORS' RESPONSIBILITIES STATEMENT

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

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

DIVIDENDS

The directors do not recommend the payment of a dividend (2014 - £NIL).

DIRECTORS

The directors who served during the year were:

Ms D D Merrill (appointed 1 April 2014)
Mr H D Segal (resigned 25 June 2015)
Miss E A Summers (resigned 22 August 2014)
Mr K M Hartwick (resigned 1 April 2014)

No director during the year had an interest in the Company's shares, share options or in the shares of any other UK group Company.

EVENTS SINCE THE END OF THE YEAR

The Company continues to support its growth targets by offering unique products. In October 2013, Green Star Energy launched in the residential market, offering exceptional customer service and effective October 2015, announced the launch of the Unlimited Tariff, a unique product that removes the uncertainty associated with typical energy tariffs. With the Unlimited Tariff, customers gain the ability to fix their home gas and electricity bills, whatever the weather, for a full year.

HUDSON ENERGY SUPPLY UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

FUTURE DEVELOPMENTS

The Company will continue to offer a fresh approach through innovative products to support the energy needs of residential and commercial customers in the UK. The Company will continue to look for product growth and diversification as well as geographical expansion opportunities.

FINANCIAL INSTRUMENTS

The Company has entered into a variety of derivative financial instruments as part of the business of purchasing and selling gas and electricity. The risks associated with the Company's financial instruments are as follows:

Price risk

Components of price risk to which the Company is exposed are discussed below.

Interest rate risk

Whilst the Company is exposed to interest rate fluctuations, the associated risk is considered relatively immaterial and temporary in nature. The Company's current exposure to interest rates does not economically warrant the use of derivative instruments.

Commodity price risk

The Company is exposed to market risks associated with commodity prices and market volatility where estimated customer requirements do not match actual customer requirements. Management actively monitors these positions on a daily basis in accordance with its Risk Management Policy. This policy sets out a variety of limits, most importantly, thresholds for open positions in the gas and electricity portfolios which also feed a Value at Risk limit. Should any of the limits be exceeded, they are closed expeditiously or express approval to continue to hold is obtained. The Company's exposure to price risk is affected by a number of factors, including accuracy of estimation of customer commodity requirements, commodity prices, and volatility and liquidity of markets. The Company enters into derivative instruments in order to manage exposures to changes in commodity prices. The derivative instruments that are used are designed to fix the price of supply for estimated customer commodity demand and thereby fix margins such that shareholder dividends can be appropriately established. Derivative instruments are generally transacted over the counter. The inability or failure of the Company to manage and monitor the above market risks could have a material adverse effect on the operations and cash flows of the Company. The Company prices a risk premium in its customer contract to account for weather related risk and it may enter into purchase of options including weather derivatives to mitigate the impact of weather on earnings and cash flow.

Credit risk

The Company is exposed to credit risk in two specific areas: customer credit risk and counterparty credit risk.

Customer credit risk

Credit review processes have been implemented to perform credit evaluations of customers and manage customer default. If a significant number of customers were to default on their payments, it could have a material adverse effect on the operations and cash flows of the Company. Management factors default from credit risk in its margin expectations.

Counterparty credit risk

Counterparty credit risk represents the loss that the Company would incur if a counterparty fails to perform under its contractual obligations. This risk would manifest itself in the Company replacing contracted supply at

HUDSON ENERGY SUPPLY UK LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

prevailing market rates, thus impacting the related customer margin. Counterparty limits are established within the Risk Management Policy. Any exceptions to these limits require approval from the Board of Directors. The Risk Department and Risk Committee monitor current and potential credit exposure to individual counterparties and also monitor overall aggregate counterparty exposure. However, the failure of a counterparty to meet its contractual obligations could have a material adverse effect on the operations and cash flows of the Company.

Liquidity risk

The potential inability to meet financial obligations as they fall due is reviewed as part of the overall Group governance procedures. The risk is managed by monitoring detailed cash flow forecasts on a bi-monthly basis to ensure adequate and efficient use of cash resources and credit facilities.

Supplier risk

The Company purchases the vast majority of its commodity supply through one supplier. To the extent that this supplier was to default on the contract, the Company would have to find new suppliers and there would be no assurance that the terms and profitability under the new arrangements would be comparable to those established.

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

Under section 487(2) of the Companies Act 2006, Larking Gowen Limited will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

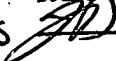
This report was approved by the board and signed on its behalf.



Ms D D Merrill
Director

Date: 10 November 2015

APPROVED
BY LEGAL



HUDSON ENERGY SUPPLY UK 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's principal activity during the year continued to be that of the supply of electricity to the commercial market and of electricity and gas to the residential market.

For the financial year ended 31 March 2015, the Company reported strong growth with gross profit increasing by 252% to £12.178m. In addition, profit for the financial year was £2.914m compared with a loss of £0.987m reported for the financial year ended 31 March 2014. The results of operations for the financial year ended 31 March 2015 were in line with the expectations of the directors.

PRINCIPAL RISKS AND UNCERTAINTIES

Described below are the principal risks and uncertainties that the Company can foresee. It is not an exhaustive list, as some future risks may be as yet unknown and other risks, currently regarded as immaterial, could turn out to be material.

Commodity price risk

The Company's cost to serve its retail energy customers is exposed to fluctuations in commodity prices. Although the Company enters into commodity derivative instruments with its suppliers to manage the commodity price risks, it is exposed to commodity price risk where estimated customer requirements do not match actual customer requirements or where it is not able to exactly purchase the estimated customer requirements. In such cases, the Company may suffer a loss if it is required to sell excess supply in the spot market (compared to its weighted average cost of supply) or to purchase additional supply in the spot market. Such losses could have a material adverse impact on the Company's operating results, cash flow and liquidity.

A key risk to the Company's business model is a sudden and significant drop in the commodity market price resulting in increase in customer churn, regulatory pressure and resistance on enforcement of liquidation damages and enactment of provisions to reset the customer price to current market price levels which could have significant impact on the Company's business.

Earnings seasonality and volatility

The Company's business is seasonal in nature. The earnings volatility associated with seasonality may affect the ability of the Company to access capital needed to support its working capital requirements.

Supply counterparty risk

Supply counterparty risk is a loss that the Company would incur if a counterparty fails to perform under its contractual obligations.

Legal and regulatory risk

Legal and regulatory risk is a potential loss that may be incurred as a result of changes in regulations or legislation affecting the Company's business model, costs or operations, as well as it is a risk of potential litigation against the Company resulting in impact to the Company's cash flow. The Company may receive complaints from consumers which may involve sanctions from regulatory and legal authorities. The most significant potential sanction is the suspension or revocation of a licence which would prevent the Company from selling.

HUDSON ENERGY SUPPLY UK LIMITED

**STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2015**

Retail customer risk

Retail customer risk is a potential loss that may be incurred as a result of change in customer behaviour and from an increase in competition in the retail energy industry.

Business operations risk

Business operations risk is a potential loss occurring from an unplanned interruption or cyber-attack, manual or system errors, and business earnings risk unique to the retail energy sales industry.

FINANCIAL KEY PERFORMANCE INDICATORS

The Company's key performance indicators include gross profit, profit for the year as well as EBITDA.

OTHER KEY PERFORMANCE INDICATORS

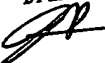
The Company's other performance indicators include growth in customer base.

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



.....
Ms D D Merrill
Director

APPROVED
BY LEGAL



Date: 10 November 2015

HUDSON ENERGY SUPPLY UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HUDSON ENERGY SUPPLY UK LIMITED

We have audited the financial statements of Hudson Energy Supply UK Limited for the year ended 31 March 2015, which comprise the Profit and loss account, the Balance sheet and the related notes. 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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.

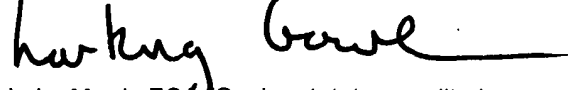
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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.

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.



Luke Morris FCA (Senior statutory auditor)

for and on behalf of

Larking Gowen Limited

Chartered Accountants

Statutory Auditors

Ipswich

12 November 2015

HUDSON ENERGY SUPPLY UK LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £000	2014 £000
TURNOVER	1,2	126,947	39,170
Cost of sales		<u>(114,769)</u>	<u>(35,711)</u>
GROSS PROFIT		12,178	3,459
Selling expenses		<u>(4,670)</u>	<u>(837)</u>
Administrative expenses		<u>(4,705)</u>	<u>(3,609)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		2,803	(987)
Tax on profit/(loss) on ordinary activities	5	<u>111</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	13	<u>2,914</u>	<u>(987)</u>

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 16 form part of these financial statements.

HUDSON ENERGY SUPPLY UK LIMITED
REGISTERED NUMBER: 07489042

BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£000	2015 £000	£000	2014 £000
FIXED ASSETS					
Intangible assets	6		172		227
Tangible assets	7		174		175
			<u>346</u>		<u>402</u>
CURRENT ASSETS					
Debtors	8	24,144		9,607	
Cash at bank		7,388		3,484	
			<u>31,532</u>	<u>13,091</u>	
CREDITORS: amounts falling due within one year	9	(27,169)		(11,698)	
NET CURRENT ASSETS			<u>4,363</u>		<u>1,393</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,709</u>		<u>1,795</u>
CAPITAL AND RESERVES					
Called up share capital	12		5,200		5,200
Profit and loss account	13		(491)		(3,405)
SHAREHOLDERS' FUNDS	14		<u>4,709</u>		<u>1,795</u>

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



Ms D D Merrill
 Director

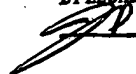


Ms J E Thornton
 Director

Date: 10 November 2015

The notes on pages 9 to 16 form part of these financial statements.

**APPROVED
 BY LEGAL**



HUDSON ENERGY SUPPLY UK 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 Going concern

After making enquiries and reviewing cash flow forecasts and available facilities for a period of at least 12 months from the date of these financial statements, the directors have a reasonable expectation at the time of approving the financial statements that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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 FRS 1.

1.4 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

For energy supply, turnover is recognised on the basis of electricity and gas supplied during the year. For those customers awaiting a bill an estimate is made of the sales value of units and terms supplied between the last bill period date and the year end date. Any unbilled amounts are included in debtors to the extent they are considered recoverable.

1.5 Intangible fixed assets and amortisation

Intangible assets are measured at cost on initial recognition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and/or accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense is recognised in the profit and loss account in the expense category associated with the function of the intangible assets.

Amortisation is provided at the following rates:

Software - 1 year straight line

HUDSON ENERGY SUPPLY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and 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:

Leasehold improvements	-	Term of lease
Fixtures & fittings	-	20% reducing balance
Office equipment	-	20% reducing balance
Computer equipment	-	30% reducing balance

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.8 Deferred taxation

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.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.10 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2. TURNOVER

All turnover arose within the United Kingdom.

HUDSON ENERGY SUPPLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

3. PROFIT/(LOSS)

The profit/(loss) is stated after charging:

	2015	2014
	£000	£000
Amortisation - software	284	853
Depreciation of tangible fixed assets:		
- owned by the company	47	41
Auditors' remuneration	18	11
Operating lease rentals:		
- other operating leases	101	61
	101	61

During the year, no director received any emoluments (2014 - £NIL).

4. STAFF COSTS

Staff costs were as follows:

	2015	2014
	£000	£000
Wages and salaries	1,384	1,137
Social security costs	135	110
Other pension costs	37	30
	1,556	1,277

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

	2015	2014
	No.	No.
Operations	34	20

5. TAXATION

	2015	2014
	£000	£000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit/loss for the year	110	-
Deferred tax (see note 11)		
Origination and reversal of timing differences	(221)	-
Tax on profit/loss on ordinary activities	(111)	-

HUDSON ENERGY SUPPLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

5. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015	2014
	£000	£000
Profit/loss on ordinary activities before tax	2,803	(987)
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	589	(227)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1	5
Capital allowances for year in excess of depreciation	(5)	131
Utilisation of tax losses	(475)	-
Unrelieved tax losses carried forward	-	91
Current tax charge for the year (see note above)	110	-

Factors that may affect future tax charges

The Company had taxable losses as at 31 March 2015 of £NIL (2014 - £2,261,000) to carry forward against future trading profits of the same trade.

6. INTANGIBLE FIXED ASSETS

	Software
	£000
Cost	
At 1 April 2014	1,581
Additions	229
At 31 March 2015	1,810
Amortisation	
At 1 April 2014	1,354
Charge for the year	284
At 31 March 2015	1,638
Net book value	
At 31 March 2015	172
At 31 March 2014	227

HUDSON ENERGY SUPPLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

7. TANGIBLE FIXED ASSETS

	Leasehold improvements £000	Plant & machinery £000	Total £000
Cost			
At 1 April 2014	9	236	245
Additions	-	46	46
At 31 March 2015	<u>9</u>	<u>282</u>	<u>291</u>
Depreciation			
At 1 April 2014	-	70	70
Charge for the year	2	45	47
At 31 March 2015	<u>2</u>	<u>115</u>	<u>117</u>
Net book value			
At 31 March 2015	<u>7</u>	<u>167</u>	<u>174</u>
<i>At 31 March 2014</i>	<u>9</u>	<u>166</u>	<u>175</u>

8. DEBTORS

	2015 £000	2014 £000
Trade debtors	2,269	195
Amounts owed by group undertakings	979	825
Other debtors	523	1,328
Prepayments and accrued income	20,152	7,259
Deferred tax asset (see note 11)	221	-
	<u>24,144</u>	<u>9,607</u>

HUDSON ENERGY SUPPLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

**9. CREDITORS:
Amounts falling due within one year**

	2015	2014
	£000	£000
Trade creditors	1,363	4,545
Amounts owed to group undertakings	703	3,372
Corporation tax	110	-
Other taxation and social security	1,378	-
Other creditors	540	267
Accruals and deferred income	23,075	3,514
	<u>27,169</u>	<u>11,698</u>

10. FINANCIAL INSTRUMENTS

The discussion of the Company's objectives with regards to derivatives and other financial instruments is included within the Directors' report.

Fair values of assets and liabilities

The fair value of financial instruments represents the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. Where market values are not available, fair values have been calculated by discounting cash flows at prevailing rates at the year end. Significant differences can arise between the fair value and the carrying amount of financial instruments that are recognised at historical cost amounts. The fair values below are not reflected in the balance sheet.

	2015	2014
	£000	£000
Physical forward contracts and options	(6,686)	(4,824)
Other derivative options	-	-
	<u>(6,686)</u>	<u>(4,824)</u>

The physical forward contracts and options are entered into by the Company to mitigate the price risk originating from the sale of long term fixed and variable priced natural gas and electricity retail contracts to commercial and residential customers. The physical forward agreements are commitments to purchase a predetermined quantity of natural gas, power, levy exemption certificates or guarantee of origin of renewable power certificates at either a predetermined fixed price or by reference to a predetermined price index formula.

Other derivative options includes a warrant for the subscription in cash for 9.5% of the Company at prevailing book value of the Company at time of execution, held in favour of one of the Company's suppliers. As at 31 March 2015, the directors consider the possibility of the warrant being exercised to be remote, and therefore it did not carry any material fair value (2014 - £NIL).

HUDSON ENERGY SUPPLY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

11. DEFERRED TAXATION

	2015 £000	2014 £000
At beginning of year	-	-
Released during year (P&L)	221	-
At end of year	<u>221</u>	<u>-</u>

The deferred taxation balance is made up as follows:

	2015 £000	2014 £000
Accelerated capital allowances	<u>221</u>	<u>-</u>

12. SHARE CAPITAL

	2015 £000	2014 £000
Allotted, called up and fully paid 5,200,001 Ordinary shares of £1 each	<u>5,200</u>	<u>5,200</u>

13. RESERVES

	Profit and loss account £000
At 1 April 2014	(3,405)
Profit for the financial year	2,914
At 31 March 2015	<u>(491)</u>

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £000	2014 £000
Opening shareholders' funds	1,795	2,782
Profit/(loss) for the financial year	2,914	(987)
Closing shareholders' funds	<u>4,709</u>	<u>1,795</u>

HUDSON ENERGY SUPPLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

15. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £56,000 (2014 - £52,000). Contributions totalling £4,000 (2014 - £3,000) were payable to the fund at the balance sheet date and are included in creditors.

16. OPERATING LEASE COMMITMENTS

At 31 March 2015 the Company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015	2014
	£000	£000
Expiry date:		
Between 2 and 5 years	79	79
After more than 5 years	149	-
	=====	=====

17. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has not disclosed transactions with any member of the Just Energy Group Inc. group that is wholly owned.

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company is a wholly owned subsidiary of Hudson Energy Holdings UK Limited, a company incorporated in England and Wales.

The Company's ultimate controlling party is Just Energy Group Inc., a company incorporated in Canada. Copies of that Company's consolidated financial statements may be obtained from its website at <http://www.justenergygroup.com/>