

REGISTERED NUMBER: 07014905 (England and Wales)

Strategic Report, Report of the Director and
Unaudited Financial Statements
for the Year Ended 28 February 2022
for
White Horse Energy Ltd

White Horse Energy Ltd (Registered number: 07014905)

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for the Year Ended 28 February 2022**

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White Horse Energy Ltd

Company Information
for the Year Ended 28 February 2022

DIRECTOR:	S Fitzgerald
REGISTERED OFFICE:	Globe House Love Lane Cirencester GL7 1YG
REGISTERED NUMBER:	07014905 (England and Wales)
ACCOUNTANTS:	Venture Chartered Accountants Venture House Calne Road Lyneham Chippenham SN15 4PP

White Horse Energy Ltd (Registered number: 07014905)

Strategic Report
for the Year Ended 28 February 2022

The director presents his strategic report for the year ended 28 February 2022.

REVIEW OF BUSINESS
The Year in Review

White Horse Energy has once again delivered strong growth in a challenging marketplace. Despite a relaxation in COVID restrictions which has introduced pressure in some online sectors, in White Horse Energy's case we have continued to grow both volumes and market share in our key segments. Our industry is well positioned to benefit from consumers changing energy sources due to the current cost of living crises, and White Horse Energy has weathered the anticipated tightening of supply out of the Eastern Europe with long term agreements and supplier relationships backed up by redundant fallback supply.

Financial Highlights

Revenue (£m)	
£12.52m	+29.2%
Gross Profit (£m)	
£2.22m	+45.1%
EBITDA (£k)	
£388k	-26.2%
NPAT (£k)	
£289k	-12.2%
Free Cashflow (£k)	
£1,089k	+150.9%

Overview

White Horse Energy realised a significant improvement to our Gross Profit through a combination of improved sourcing strategies and a closer connection to our end market through a number of in house IT innovations. We invested heavily in our staffing, advertising, and logistics capabilities, which, while impacting the bottom line this year should deliver performance improvements for years to come. The current cost of living crisis, and associated energy market shortfall, has disproportionately affected smaller operators, allowing us to further cement our place in the market and our offering to our customers.

OPERATIONAL HIGHLIGHTS

Delivered Tonnes (Thousand)
44.181k

Orders Processed (Thousand- All Channels)
94.028k

Inbound Customer Queries Resolved (Thousand)
41.011k

White Horse Energy Ltd (Registered number: 07014905)

**Strategic Report
for the Year Ended 28 February 2022**

DIRECTORS STATEMENT

Overview

Our new warehouse is providing significant operational improvements to a system that was beginning to struggle with increased volumes. That, combined with the implementation of an integrated, cutting-edge, customer service solution has improved our customer experience and is allowing us to continue scaling our growth without operational impediment.

We have improved our focus on additional channels and added over 50,000 low value, but high margin transactions in marketplaces with very significant opportunity for future growth.

BEIS FEEDSTOCKS INNOVATION PROGRAMME

Phase 1

White Horse Energy were awarded a Phase 1 contract in the UK Govt BEIS Feedstocks Innovation programme worth £105,000 to assess the feasibility of an innovation proposed by White Horse Energy in the Energy Crop Market around Mobile Pelletisation. The ambition of that project was to demonstrate that through the use of our innovation one could successfully produce energy crop pellets from UK feedstocks at a sufficiently competitive price to displace imported wood pellets from the UK industrial market. White Horse Energy successfully completed that project on the 28th Feb 2022.

Phase 2

Following the successful completion of Phase 1, White Horse Energy were invited to submit an application to Phase 2. Phase 2 of the programme is designed for entrants to produce a demonstration model of the innovation considered in the Phase 1 feasibility study, and a commercialisation plan to demonstrate how that innovation will be deployed in the real world. Real world data from demonstrating the innovation and a strong commercialisation plan are key to ensuring widespread uptake of the innovation.

White Horse Energy were one of a few successful applicants to Phase 2. As such White Horse Energy has been awarded a £2.79m contract for Phase 2 to conclude by the end of March 2025.

It is rare that one encounters truly 'game changing' innovation with the potential to disrupt the largest of markets - the energy market. White Horse Energy believes that this is exactly what we have, and the recent award of this contract serves to justify our belief in it.

CYCLIC LTD

White Horse Energy has recently created an IT subsidiary. Our intention is to build a technical solution that solves White Horse Energy's own IT requirements, and then utilising our pre-existing sourcing and fulfilment capacity, offer that solution as an E-commerce as a service platform for the SME segment.

VERTICAL INTEGRATION

Alongside the BEIS Feedstocks Innovation Programme, White Horse Energy is actively pursuing opportunities to vertically integrate parts of our supply chain in order to take greater control, and a greater share of the value generated in that supply.

SUMMARY

White Horse Energy has had another strong year. As our business grows, we continue to expand the related segments in which we are active, as well as our capabilities and competencies in each segment. Despite our desire for growth, that growth cannot come at any cost. Where growth risks overwhelming capacity, we are circumspect, and all opportunities have to comply with our general philosophy that every action and interaction we take, whether with our supply chain or our customers need to leave the world in a better place than we found it.

ON BEHALF OF THE BOARD:

S Fitzgerald - Director

30 May 2022

White Horse Energy Ltd (Registered number: 07014905)

**Report of the Director
for the Year Ended 28 February 2022**

The director presents his report with the financial statements of the company for the year ended 28 February 2022.

DIRECTOR

S Fitzgerald held office during the whole of the period from 1 March 2021 to the date of this report.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

S Fitzgerald - Director

30 May 2022

White Horse Energy Ltd (Registered number: 07014905)

Income Statement
for the Year Ended 28 February 2022

	28.2.22 £	28.2.21 £
REVENUE	12,516,288	9,692,421
Cost of sales	<u>10,295,085</u>	<u>8,156,903</u>
GROSS PROFIT	2,221,203	1,535,518
Administrative expenses	<u>1,879,536</u> 341,667	<u>1,061,538</u> 473,980
Other operating income	<u>13,322</u>	<u>9,542</u>
OPERATING PROFIT	354,989	483,522
Interest receivable and similar income	<u>5,454</u> 360,443	<u>5,641</u> 489,163
Interest payable and similar expenses	<u>3,401</u>	<u>84,095</u>
PROFIT BEFORE TAXATION	357,042	405,068
Tax on profit	<u>67,870</u>	<u>76,240</u>
PROFIT FOR THE FINANCIAL YEAR	<u><u>289,172</u></u>	<u><u>328,828</u></u>

White Horse Energy Ltd (Registered number: 07014905)

Statement of Financial Position
28 February 2022

	Notes	28.2.22		28.2.21	
		£	£	£	£
FIXED ASSETS					
Intangible assets	4		-		492
Property, plant and equipment	5		<u>49,386</u>		<u>69,214</u>
			49,386		69,706
CURRENT ASSETS					
Inventories		8,421		376,640	
Debtors	6	1,510,643		648,949	
Cash at bank		<u>1,089,450</u>		<u>433,647</u>	
		2,608,514		1,459,236	
CREDITORS					
Amounts falling due within one year	7	<u>2,046,998</u>		<u>923,132</u>	
NET CURRENT ASSETS			<u>561,516</u>		<u>536,104</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			610,902		605,810
CREDITORS					
Amounts falling due after more than one year	8		-		(50,277)
PROVISIONS FOR LIABILITIES			<u>(9,428)</u>		<u>(13,151)</u>
NET ASSETS			<u><u>601,474</u></u>		<u><u>542,382</u></u>
CAPITAL AND RESERVES					
Called up share capital	11		398,200		398,200
Retained earnings			<u>203,274</u>		<u>144,182</u>
SHAREHOLDERS' FUNDS			<u><u>601,474</u></u>		<u><u>542,382</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2022 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

White Horse Energy Ltd (Registered number: 07014905)

Statement of Financial Position - continued
28 February 2022

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the director and authorised for issue on 30 May 2022 and were signed by:

S Fitzgerald - Director

White Horse Energy Ltd (Registered number: 07014905)

Statement of Changes in Equity
for the Year Ended 28 February 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 March 2020	398,200	(184,646)	213,554
Changes in equity			
Total comprehensive income	-	328,828	328,828
Balance at 28 February 2021	<u>398,200</u>	<u>144,182</u>	<u>542,382</u>
Changes in equity			
Dividends	-	(230,080)	(230,080)
Total comprehensive income	-	289,172	289,172
Balance at 28 February 2022	<u>398,200</u>	<u>203,274</u>	<u>601,474</u>

White Horse Energy Ltd (Registered number: 07014905)

**Notes to the Financial Statements
for the Year Ended 28 February 2022**

1. STATUTORY INFORMATION

White Horse Energy Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of nil years.

Tangible fixed assets

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

Plant and machinery etc - 25% on reducing balance

Stocks

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

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial assets and liabilities are offset and 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

have been enacted or substantively enacted by the statement of financial position date.

White Horse Energy Ltd (Registered number: 07014905)

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

2. **ACCOUNTING POLICIES - continued**

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 18 (2021 - 13) .

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 March 2021 and 28 February 2022	<u>10,865</u>
AMORTISATION	
At 1 March 2021	10,373
Charge for year	<u>492</u>
At 28 February 2022	<u>10,865</u>
NET BOOK VALUE	
At 28 February 2022	<u>-</u>
At 28 February 2021	<u><u>492</u></u>

White Horse Energy Ltd (Registered number: 07014905)

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2022**

5.	PROPERTY, PLANT AND EQUIPMENT		Plant and machinery etc £
	COST		
	At 1 March 2021		170,061
	Additions		<u>7,787</u>
	At 28 February 2022		<u>177,848</u>
	DEPRECIATION		
	At 1 March 2021		100,847
	Charge for year		<u>27,615</u>
	At 28 February 2022		<u>128,462</u>
	NET BOOK VALUE		
	At 28 February 2022		<u>49,386</u>
	At 28 February 2021		<u>69,214</u>
6.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		28.2.22	28.2.21
		£	£
	Trade debtors	1,338,263	314,076
	Directors' current accounts	69,230	230,031
	s455 tax recoverable	76,486	76,486
	VAT	-	13,883
	Prepayments and accrued income	<u>26,664</u>	<u>14,473</u>
		<u>1,510,643</u>	<u>648,949</u>
7.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		28.2.22	28.2.21
		£	£
	Bank loans and overdrafts	-	127,842
	Payments on account	51,557	-
	Trade creditors	897,183	634,807
	Taxation and social security	94,022	58,975
	Other creditors	<u>1,004,236</u>	<u>101,508</u>
		<u>2,046,998</u>	<u>923,132</u>
8.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
		28.2.22	28.2.21
		£	£
	Other creditors	<u>-</u>	<u>50,277</u>
9.	LEASING AGREEMENTS		
	The total amount due under non-cancellable leases is £60,896 (2021: £65,333).		

White Horse Energy Ltd (Registered number: 07014905)

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2022**

10. SECURED DEBTS

The following secured debts are included within creditors:

	28.2.22	28.2.21
	£	£
Bank loans	<u>-</u>	<u>127,842</u>

The bank loan is secured by a fixed and floating charge over all the property of the company dated 28th June 2018.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	28.2.22	28.2.21
			£	£
10,000	A	10p	1,000	1,000
1,986	B	£200	<u>397,200</u>	<u>397,200</u>
			<u>398,200</u>	<u>398,200</u>

12. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 28 February 2022 and 28 February 2021:

	28.2.22	28.2.21
	£	£
S Fitzgerald		
Balance outstanding at start of year	230,031	180,000
Amounts advanced	95,832	50,031
Amounts repaid	(256,633)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>69,230</u>	<u>230,031</u>

Interest has been charged at 2.5%.

13. RELATED PARTY DISCLOSURES

During the year, total dividends of £230,080 were paid to the director .

