The wind turbines pictured are on Mackie's Farm in Scotland.

It's part of a growing community of 35,000 independent suppliers we support across Britain, all harnessing natural power from the sunshine, wind, water or sustainable biogeneration.

We think all energy should be like this.

Local, natural, everlasting.

This is Good Energy.

Good Energy Group

Annual Report 2011
Good Energy Group Plc
Monkton Reach
Monkton Hill
Chippenham
SN15 1EE

goodenergygroup.co.uk

Annual Report and Financial Statements 2011

Annual Report and Financial Statements
Year ended 31 December 2011

CONTENTS

Good Energy Group

Directors and Corporate Resources

Directors	Richard Squires (Non-Executive Chairman) Juliet Davenport (Chief Executive) Garry Peagam (Group Finance Director) Lawrence Churchill (Non-Executive Director) Martin Edwards (Non-Executive Director)
Company Secretary and Registered Office	Ovalsec Limited 2 Temple Back East Temple Quay Bristol BS1 6EG
Company Number	04000623
Principal place of business	Monkton Reach Monkton Hill Chippenham Wiltshire SN15 1EE
Independent Auditors	Calder & Co Statutory Auditor and Chartered Accountants 1 Regent Street London SW1Y 4NW
PLUS Advisors	Bishop Fleming 16 Queen Square Bristol BS1 4NT
Financial Advisors	N+1 Brewin 12 Smithfield Street London, EC1A 9BD
Bankers	The Co-operative Bank PLC PO Box 101 1 Balloon Street Manchester M60 4EP
	Lloyds TSB Bank PLC PO Box 112 Canons House Bristol BS99 7LB
Legal Advisors	Norton Rose LLP 3 More London, Riverside London, SE1 2AQ
Registrars	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZY

Chairman's Statement
For the year ended 31 December 2011

I am very pleased to report that Good Energy continues to grow, improving our financial performance for the year ended 31 December 2011, our twelfth year in operation. We are particularly proud that our profits have shown an increasing trend since we were founded, and have grown year-on-year for the last three years. A full review of operating performance for the year is set out on pages 5 to 8.

We remain committed to influencing change in the energy markets; both as a supplier of 100% renewable electricity and by empowering individuals, business and communities to generate their own energy. Our continuing focus on decentralised generation has been key to providing us with energy price resilience, and we believe these technologies have a wider role to play in helping the UK achieve a sustainable, diverse, low-carbon energy future.

During the course of the year we saw a rapid increase in the number of accounts we serve, and are maintaining this growth successfully in 2012, reaching over 70,000 accounts across all our businesses as of March 31 2012.

As of the end of 2011, we had 28,000 electricity customers, 5,000 gas customers, 12,000 Feed-in Tariff customers (FIT) and were sourcing 20% of our electricity from our own wind farm in Cornwall. The growth trend is continuing into 2012, with over 29,000 electricity customers, 6,000 gas customers and over 35,000 FIT customers as of March 31st, and our next wind farm project, in Scotland, has been submitted for planning approval.

This growth can be attributed to our three-year strategy to improve our competitiveness. We have held our electricity prices steady since April 2009, and, coupled with a rising chorus of disapproval in the media against the 'Big Six' pricing and service, this resulted in a strong increase in customers switching to Good Energy in the second half of the year. The Government Feed-in Tariff that pays households for generating their own electricity also played to Good Energy's strengths, helping us to grow a diverse community of decentralised energy generators.

Our newly-repowered wind farm at Delabole exceeded expectations, generating over 24,700 MWh in its first year of operation, more than double the output of the old wind farm, and our Generation team continues to work on our five-year plan to add 40 MW of new onshore wind capacity. We also diversified our renewable energy portfolio by signing several new Power Purchase Agreements with solar generators. Solar now contributes around a third of our power, providing a valuable hedge against the intermittency of wind because the sun is often shining when the wind isn't blowing and vice-versa, and helping keep our prices stable.

Having paid our maiden dividend in 2010, the Board is pleased to recommend a final dividend for 2011 of 2.75 pence per ordinary share, for declaration at the Annual General Meeting.

On behalf of the Board, I would like to acknowledge the contribution of Juliet Davenport and her team, as well as all our customers, generators and shareholders. We thank them all for their support.

Lawrence Churchill is stepping down from his role as Senior Independent Director with immediate effect. This follows his appointment by the FSA as the new chairman of the board of the Financial Services Compensation Scheme. Lawrence has been an important part of the Board since 2004, and we'd like to thank him for his hard work and significant contribution to the Group. The Board is currently looking to appoint a replacement for Lawrence and a further announcement will be made in due course.

Looking ahead, 2012 promises more unique challenges and opportunities. We look forward to working closely with Government to ensure that decentralised generation gets the political support it deserves. Ongoing concern about rising fossil fuel prices and international political uncertainty means that the need for the UK to develop greater energy independence has never been more apparent. Your Board remains confident that your award-winning company will continue to make the best of the opportunities the future offers.

Rick Squires
Chairman
23 April 2012

Chief Executive's Operating and Financial Review
For the year ended 31 December 2011

Strategic Purpose

Throughout 2011 Good Energy has continued its focus on being a catalyst for change in the UK energy market. We aim to do this by empowering individuals and businesses to play an active role by switching supply, generating their own renewable power, participating in local community energy initiatives and using their energy more efficiently.

The highlight of the year was the opportunity created by the Government Feed-in Tariff, which helped us to grow our FIT administration business from 1,000 at the beginning of the year to over 35,000 small generators by the end of March 2012. Some 99% of these are solar PV generators, with over two-fifths comprised of social housing landlords. The average capacity of these customers is 3.3 kW. Good Energy now looks after around 14% of the micro-generators in the UK, a testament to the industry-leading services we have developed and provide to the market. Our teams use scalable market leading systems to ensure that small generators are given the same high level of service as our energy supply customers. When a customer signs up as a generator with Good Energy, navigating a fairly complex market becomes simple and straightforward.

Our five-year plan to develop a portfolio of 50 MW of onshore wind assets and to grow our energy supply customer base, remains on track. We recently submitted a planning application for our first wind farm in Scotland. We also made our second investment in renewable heat in 2011, as part of our commitment under the Green Energy Supply Certification Scheme. Although relatively small, such investments are a good forerunner for growing this business in the future. Our supply customer base has grown at an annualised rate of 31% for the first three months of 2012.

Keeping the right balance between demand and supply is a key part of Good Energy's strategy and we see it underpinning our future growth.

Good Energy

100% renewable electricity supply and Feed-in Tariff administration
We continue to be the UK's only 100% renewable electricity supplier.

Customer growth in the first half of 2011 was a modest 3% annualised. However, as a result of our electricity price freeze, our competitive position improved as the year progressed, compared with other energy companies who rely on imported fuel and increased their prices. Growth picked up significantly in the second half of the year, reaching 14% on an annualised basis, resulting in customer growth for the full year of 9%.

We believe that during 2011 our excellent customer service and price stability were key reasons that Good Energy came top of the recent Which? customer satisfaction survey.

A 1% decrease in revenue from electricity sales due to our customers' efforts to reduce their energy consumption and 8% reduction in cost of sales, led to a 5.1 percentage point improvement in gross margin for the electricity supply business. This is attributable to progress in developing our trading systems and associated procedures as well as more flexible credit lines for our trading activities.

Our long experience in supporting microgenerators enabled Good Energy to develop an industry-leading FIT administration business during the year, which has grown from 1,000 to 35,000 generators by the end of March 2012, exceeding all our targets. This business helps small generators submit meter readings to the regulator OFGEM, and distribute the FIT payments they are entitled to; in return we receive an administration fee from OFGEM. We differentiate ourselves from the rest of the industry by also offering this service to generators who are not supplied by Good Energy. This is in line with our objective to lead the way in supporting small generators.

The FIT administration business was a major contributor to our revenues for the year. However, the Government is cutting the administration fee substantially in 2012/13. We are looking at ways of leveraging our knowledge and systems in FIT administration services and improving our cost to serve. We expect that this will allow Good Energy to continue to operate our FIT business profitably.

Administrative expenses for electricity supply and Feed-in Tariff administration increased by 18% during the year, in line with our expectations based on the growth in customer numbers achieved within the electricity supply and Feed-in Tariff businesses.

Gas

Good Energy's gas business had an excellent year, with customer numbers growing around 66% to 5,492. This growth has been driven in part by improving dual-fuel sign-up procedures for first-time customers, showing a significant pick up since August when changes to the Good Energy website were rolled out.

A 15% increase in revenues and a 33% increase in cost of sales led to a 9.7 percentage point reduction in gross margin for the gas supply business. This is due to increases in the market price of gas, as a result of which in September 2011 we raised our gas prices by 9%, a lower increase than those announced by other energy suppliers at the time.

Supported by our expanding gas business, Good Energy has continued to maintain HOTROCs, our own renewable heat incentive, and we will be adapting this when the Government implements the Renewable Heat Incentive for homeowners. Our HOTROCs programme is likely to be replaced by investments in community and local renewable heat schemes, and we are working on developing these initiatives to build on the investments we made in 2011.

Generation

Onshore wind development

In 2011 our generation team focused on finding appropriate new sites, developing the financial models for the Generation business and the first stages of community consultation. We have expanded the team, and in September 2011 launched our first consultation in Scotland to develop a 4.6 MW wind farm in Aberdeenshire. We submitted planning for this site in early January 2012 and hope to reach a positive outcome later in the year.

We are actively negotiating Heads of Terms for other onshore wind sites in the UK totalling 35 MW and aim to have further options in place, and to be able to start consultations later in 2012.

Delabole

2011 was the first full year of operation of our wind farm in Delabole, Cornwall, following the completion of the repower of the site in 2010. We were pleased that it exceeded our expectations in MWh output, and this was particularly good news, since the turbines were offline for part of the time. Work by the turbine manufacturer Enercon and the Good Energy team is expected to result in further improvements in the availability figures for 2012.

Renewable Heat Investment

In July 2009 the Government announced it was launching a Renewable Heat Incentive (RHI), which was implemented for non-domestic sites in October 2011. RHI is a payment made to owners of assets generating renewable heat. Similar to the Feed-in Tariff for electricity, the objective of the RHI is to encourage more renewable heat generation in the UK.

At the end of 2010 we started to look at the potential for investment into biomass for heating in the UK as part of our commitment to the Green Energy Supply Certification Scheme. We invested in a small biomass boiler for a local school at the end of 2010 and in a community swimming pool in 2011. We are now considering other sites for potential investments linked to our gas product which will generate income under the RHI.

Financial Review

The statutory Financial Statements of Good Energy Group PLC for the year ended 31 December 2011 are set on out pages 14 to 40 together with explanatory notes and comparisons with previous years where appropriate.

Revenue And Gross Profit

At £21.6m, revenue from sales in 2011 was 8% higher than in 2010. Of this £1.5m increase, revenue from the electricity supply business (including the FIT administration) was up £0.3m on 2010. Gas sales have increased by £0.3m in the year and generation revenue from a full year of operation at our re-powered Delabole wind farm is up £0.9m on 2010.

Gross margin for the Group has risen 10.2 percentage points on 2010, in part due to the increased wind farm production, which has a high gross margin as the majority of the costs incurred are depreciation and interest. The electricity supply business (including the FIT administration) gross margin increased 5.3 percentage points on 2010, due to improvements in trading performance and strategy. The gas supply business gross margin has dropped 9.7 percentage points due to the increase in wholesale market price, and the absorption of this increase by the Group for the majority of the year as part of the strategy to improve our price competitiveness.

Administrative Expenses

At £7.4m, administrative costs across the Group increased by £1.6m from 2010. An analysis of this increase is provided in the notes to the Financial Statements. This is the result of a higher depreciation charge for the Delabole wind farm, with additional cost increases required to resource the new and growing areas of the business, in particular FIT and the Generation teams.

Profit Before Tax

Profit before tax of £1.1m increased by 50% this year (2010: £0.7m). This represents 4.9% of consolidated revenue (2010: 3.5%).

Financial Position and Financing

The Consolidated Statement of Financial Position is set out on page 15. This shows a Shareholders' Equity of £6,703,593 (2010: £5,852,151). This is equivalent to 85.8p per ordinary share (2010: 74.9p).

This statement is drawn up on an historic cost basis and therefore excludes the inherent value of certain intangible assets.

At the end of 2010, we took the opportunity to review our banking facilities and transferred our day-to-day banking to Lloyds Bank. The relationship with Lloyds has developed over the course of 2011, and the Group and individual entities are pleased with the support and innovative approach we receive from Lloyds which is helping us grow and improve the business.

Cash flow from operating activities during the year was a net inflow of £1.6m, arising due to the significant improvement in trading profit across the Group.

The Group's aggregate cash balance at 31 December 2011 is £2.4m (2010: £0.2m overdrawn). The Group has an outstanding long-term loan for financing the wind farm, with a balance of £9.3m at the end of 2011. The majority of the debt interest payable in 2011 is attributable to this loan.

Dividend

Following the payment of our maiden dividend in 2010, the Directors are pleased to recommend for declaration by the Company at the Annual General Meeting a final dividend of 2.75p (2010: 2.50p) to be paid on 31 July 2012 to shareholders whose names appear on the Register of Members of the Company on 4 May 2012 as part of our ongoing policy to recognise the success and growing maturity of the business and support of our shareholders.

Board

Lawrence Churchill is stepping down from his role as Senior Independent Director with immediate effect. This follows his appointment by the FSA as the new chairman of the board of the Financial Services Compensation Scheme. Lawrence has been an important part of the Board since 2004, and we'd like to thank him for his hard work and significant contribution to the Group. The Board is currently looking to appoint a replacement for Lawrence and a further announcement will be made in due course.

Prospects for 2012 and Beyond

2011 has been a year of significant progress and development for Good Energy, not only around our core business of 100% renewable electricity supply, but also our other businesses: gas, FIT administration and generation. The Group intends to continue to grow and develop all these areas in 2012.

Our key priorities for 2012 include:

- Launching our new in-house customer relations system to further enhance the Good Energy 'experience' and allowing us to develop innovative tariffs around our 100% renewable trading portfolio.
- Considering how to compensate for the significant decrease in the FIT administration fee by the Government and to look at opportunities to provide FIT administration services to other organisations.
- Continuing to develop the Generation business, in particular our existing project pipeline, and identifying additional wind farm opportunities, and looking at other technologies including solar and small hydro.

Juliet Davenport
Chief Executive
23 April 2012

Directors' Report
For the year ended 31 December 2011

The Directors present their Annual Report for Good Energy Group PLC, together with the consolidated Financial Statements of the Good Energy Group of companies for the year ended 31 December 2011.

Directors

The Directors and their beneficial interests in the Parent Company's issued share capital are:

	31 December 2011	*31 December 2010*
Richard Squires (appointed Chairman 28/06/11)	**-**	-
Juliet Davenport	**279,702**	*279,702*
Garry Peagam	**17,000**	-
Lawrence Churchill	**-**	-
Martin Edwards	**669,827**	*669,827*

John Sellers resigned as a Director on 28/06/11.

Juliet Davenport has the following share options in the Company: 520,000 shares exercisable after 1 May 2005 at 50p per share; and 35,000 shares exercisable after 1 June 2007 at 75p per share. Garry Peagam has the following share options in the Company: 200,000 shares exercisable after 18 July 2013 at £1 per share.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Directors to prepare Group and Company Financial Statements for each financial year. Under that law the Directors have elected to prepare the Group and Company Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU. 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 on a consolidated and individual basis and of the profit or loss of the Company on a consolidated and individual basis for that period. In preparing these Financial Statements, the Directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgments and estimates that are reasonable and prudent;

c. state whether they have been prepared in accordance with IFRSs adopted by the EU; and

d. prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the Company website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names are listed on the page before, confirms that, to the best of their knowledge:

- the Consolidated and Parent Company Financial Statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Company on a consolidated and individual basis; and
- the Annual Report includes a fair review of the development and performance of the business and the position of the Company on a consolidated and individual basis, together with a description of the principal risks and uncertainties that it faces.

Own Shares Acquired

Details of own shares are shown in note 16. No own shares were acquired during the year.

Principal Activities and Review of Business

The principal activity of Good Energy Group PLC is that of a holding and management company to the Group.

The principal activities of its subsidiaries are the purchase, generation and sale of electricity from renewable sources, the provision of gas and services relating to micro-renewable generation. A detailed review of the business is set out in the Operating and Financial Review.

The purpose of the Annual Report and Financial Statements is to provide information to members of the Company. It contains certain forward looking statements relating to the operations, performance and financial condition of the Group. By their nature these statements involve uncertainty since future events and circumstances can differ from those anticipated. Nothing in the Annual Report and Financial Statements should be construed as a profit forecast.

Future Development

The Company is following its strategic plan which calls for growth in both the Supply business (Electricity and Gas) and the Generation business (developing new potential generation assets).

Corporate Governance and Financial Control

The Board is familiar with modern standards of corporate governance and adopts those standards progressively as the scale of the Group increases. The roles of Chief Executive and Chairman have always been split, with the Chairman operating in a Non-Executive capacity. The Board also has the services of a Senior Independent Director.

The Board convenes on a monthly basis to review the Group's actual and prospective performance, but also to resolve issues relating to remuneration, accounting policy, audit, risk, strategy, health and safety and other specific subjects.

The Board reviews the operational and financial results of the Group on a monthly basis against a pre-agreed set of performance targets and authority levels for Executive Management, and has the benefit of a system of continuous financial planning which is used to better manage profit and cash flow forecasting, and to inform investment decision-making. The formal financial plan for the forthcoming year is set out as a detailed proposition and authorised by the board at the end of each year. The Company maintains both short term (12 month) and longer term (5 year) plans. The authorities granted within the Company are also reviewed on an annual basis by the board.

Remuneration Review

Details of the Directors' remuneration are set out in note 6 of the Financial Statements.

Group Policy for Payment of Creditors

The Group requires its subsidiaries to perform to high standards of commercial practice. Its policy is strictly to comply with the terms of payment agreed with a supplier. Where terms are not negotiated, the Company endeavours to adhere to the supplier's standard terms. The Group had 95 days of purchases outstanding at 31 December 2011 (2010: 101 days) based on the average daily amount chargeable by suppliers during the year ended 31 December 2011.

Provision of Information to Auditors

Each of the persons who are Directors at the time when this Directors' Report is approved confirms that:

- so far as that Director is aware, there is no relevant audit information of which the Company and the Group's Auditors are unaware, and
- each Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company and the Group's Auditors in connection with preparing their Report and to establish that the Company and the Group's Auditors are aware of that information.

Ethical Statement

Good Energy Group PLC espouses the highest possible standards of ethical, environmental and social responsibility. Our core business has an environmental focus and it seeks to provide individuals and businesses with simple solutions to make a difference to climate change. Our main tariff is independently certified by the Green Energy Supply Certification Scheme, which guarantees it is of 100% renewable provenance and ensures it delivers a genuine environmental benefit. We have also topped the Ethical Company Organisation's league table for energy suppliers with the top score of 100 for eight consecutive years. We are keen to have our customers become shareholders to provide a balance of benefit between the owners of the Company and its customers. We expect the highest standards of social and commercial behaviour in our staff.

Risk Management

The Group maintains a Risk Register which identifies key risks of the business, the actions agreed by Management to obviate those risks or to mitigate their effects, and assigns specific responsibilities for relevant action. The Register is reviewed by the board annually. The risk management objectives of the Company and the Group are set out in note 1.k.

Independent Auditors

The auditors, Calder & Co, have indicated their willingness to continue in office.

This report was approved by the Board on 23 April 2012 and signed on its behalf.

R Squires

Rick Squires
Chairman
23 April 2012

Independent Auditors' Report to the Shareholders of Good Energy Group Plc

We have audited the accompanying Financial Statements of Good Energy Group PLC and its subsidiaries for the year ended 31 December 2011, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union, and as regards the Parent Company Financial Statements, as applied in accordance with the provisions of the Companies Act 2006.

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 set out in the Directors' Report, 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 Annual Report to identify material inconsistencies with the audited Financial Statements. 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 December 2011 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion the information given in the Directors' report for the financial year for which the Financial Statements are prepared is consistent with the Group 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
- the Company's 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.

David Lyon FCA
Senior Statutory Auditor
For and on behalf of

Calder & Co
Statutory Auditor and Chartered Accountants
1 Regent Street
London SW1Y 4NW
23 April 2012

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2011

	Note	2011 (£)	2010 (£)
REVENUE	1, 2	21,577,469	20,036,268
Cost of sales		12,398,344	13,552,430
GROSS PROFIT		9,179,125	6,483,838
Administrative Expenses	3	7,392,386	5,759,060
OPERATING PROFIT	2, 3	1,786,739	724,778
Finance income	7	6,482	-
Finance costs	8	(737,316)	(19,438)
PROFIT BEFORE TAX		1,055,905	705,340
Taxation	9	(204,463)	(191,566)
PROFIT FOR THE YEAR	2	851,442	513,774
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		851,442	513,774
Earnings per share - Basic	10	12.4p	7.5p
- Diluted	10	10.9p	6.6p

All amounts relate to continuing operations.

The notes on pages 19 to 40 form part of these Financial Statements.

Consolidated Statement of Financial Position
As at 31 December 2011

	Note	Consolidated 2011 (£)	2010 (£)
Non-current Assets			
Property, plant and equipment	11	11,295,142	12,142,285
Intangible assets	12	2,226,896	2,066,453
Investments	13	58	11,258
Total non-current assets		13,522,096	14,219,996
Current Assets			
Inventories	14	3,536,946	3,064,594
Current tax receivable	9	45,668	-
Trade and other receivables	15	3,336,185	4,103,645
Cash and cash equivalents	18	2,369,721	-
Total current assets		9,288,520	7,168,239
TOTAL ASSETS		22,810,616	21,388,235
Equity and Liabilities			
Capital and reserves			
Called up share capital	16	343,567	343,567
Share premium account		3,046,681	3,046,681
Retained earnings		3,313,345	2,461,903
Total Equity		6,703,593	5,852,151
Non-current liabilities			
Deferred taxation	17	396,024	115,489
Borrowings	18	9,201,557	7,170,251
Total Non-current liabilities		9,597,581	7,285,740
Current liabilities			
Borrowings	18	511,366	620,174
Trade and other payables	19	5,998,076	7,395,657
Current tax payable	9	-	64,673
Bank overdraft	20	-	169,840
Total current liabilities		6,509,442	8,250,344
Total Liabilities		16,107,023	15,536,084
TOTAL EQUITY AND LIABILITIES		22,810,616	21,388,235

The Financial Statements were approved by the Board of Directors and authorised for issue on 23 April 2012 and were signed on its behalf by:

Juliet Davenport
Chief Executive
23 April 2012

The notes on pages 19 to 40 form part of these Financial Statements.

Parent Company Statement of Financial Position
As at 31 December 2011

	Note	2011 (£)	2010 (£)
Non-current Assets			
Investments	13	5,242,043	*4,861,610*
Total non-current assets		**5,242,043**	*4,861,610*
Current Assets			
Current tax receivable	9	113,053	-
Trade and other receivables	15	17,204	*9,621*
Cash and cash equivalents		105,416	*2,721*
Total current assets		**235,673**	*12,342*
TOTAL ASSETS		**5,477,716**	*4,873,952*
Equity and Liabilities			
Capital and reserves			
Called up share capital	16	343,567	*343,567*
Share premium account		3,046,681	*3,046,681*
Retained earnings		1,269,169	*940,959*
Total Equity		**4,659,417**	*4,331,207*
Non-current liabilities			
Borrowings	18	256,611	*409,660*
Total Non-current liabilities		**256,611**	*409,660*
Current liabilities			
Trade and other payables	19	561,688	*133,085*
Total current liabilities		561,688	*133,085*
Total Liabilities		**818,299**	*542,745*
TOTAL EQUITY AND LIABILITIES		**5,477,716**	*4,873,952*

The Financial Statements were approved by the Board of Directors and authorised for issue on 23 April 2012 and were signed on its behalf by:

Juliet Davenport
Chief Executive
23 April 2012

The notes on pages 19 to 40 form part of these Financial Statements.

Statements of Changes in Equity
As at 31 December 2011

2011 Parent Company	Share capital (£)	Share premium (£)	Retained earnings (£)	Total (£)
Equity as at beginning of year	**343,567**	**3,046,681**	**940,959**	**4,331,207**
Changes				
Total comprehensive income for the year	-	-	**328,210**	**328,210**
Changes total	-	-	**328,210**	**328,210**
Equity as at 31 December 2011	**343,567**	**3,046,681**	**1,269,169**	**4,659,417**

2010 Parent Company	Share capital (£)	Share premium (£)	Retained earnings (£)	Total (£)
Equity as at beginning of year	*343,567*	*3,046,681*	*898,424*	*4,288,672*
Changes				
Total comprehensive income for the year	-	-	*214,620*	*214,620*
Dividend paid	-	-	*(172,085)*	*(172,085)*
Changes total	-	-	*42,535*	*42,535*
Equity as at 31 December 2010	*343,567*	*3,046,681*	*940,959*	*4,331,207*

2011 Consolidated	Share capital (£)	Share premium (£)	Retained earnings (£)	Total (£)
Equity as at beginning of year	**343,567**	**3,046,681**	**2,461,903**	**5,852,151**
Changes				
Total comprehensive income for the year	-	-	**851,442**	**851,442**
Changes total	-	-	**851,442**	**851,442**
Equity as at 31 December 2011	**343,567**	**3,046,681**	**3,313,345**	**6,703,593**

2010 Consolidated	Share capital (£)	Share premium (£)	Retained earnings (£)	Total (£)
Equity as at beginning of year	*343,567*	*3,046,681*	*2,120,214*	*5,510,462*
Changes				
Total comprehensive income for the year	-	-	*513,774*	*513,774*
Dividend paid	-	-	*(172,085)*	*(172,085)*
Changes total	-	-	*341,689*	*341,689*
Equity as at 31 December 2010	*343,567*	*3,046,681*	*2,461,903*	*5,852,151*

The notes on pages 19 to 40 form part of these Financial Statements.

Statements of Cash Flows
As at 31 December 2011

	Note	Parent 2011 (£)	Parent 2010 (£)	Consolidated 2011 (£)	Consolidated 2010 (£)
Cash flows from operating activities:					
Operating cash flow	22	(689,682)	*488,875*	2,382,379	*1,901,751*
Finance income	7	10,801	*18,200*	6,482	*-*
Finance costs	8	(18,424)	*(51,907)*	(737,316)	*(19,438)*
Income tax paid		-	*-*	(34,269)	*(251,031)*
Net cash flows from/(used in) operating activities		**(697,305)**	*455,168*	**1,617,276**	*1,631,282*

	Note	Parent 2011 (£)	Parent 2010 (£)	Consolidated 2011 (£)	Consolidated 2010 (£)
Cash flows from investing activities:					
Acquisitions of tangible fixed assets	11	-	*-*	(48,526)	*(10,523,865)*
Disposal of fixed assets	11	-	*-*	-	*174,999*
Acquisitions of intangible fixed assets	12	-	*-*	(535,760)	*(148,346)*
Payments on acquisition of subsidiaries	13	-	*(2,204,557)*	-	*-*
Proceeds from dividends		800,000	*1,905,000*	-	*-*
Net cash flows from/(used in) investing activities		**800,000**	*(299,557)*	**(584,286)**	*(10,497,212)*
Cash flows from financing activities:					
Payments of dividends	21	-	*(172,085)*	-	*(172,085)*
Bank financing advanced	18	-	*-*	1,506,571	*7,790,425*
Net cash flows from/(used in) financing activities		**-**	*(172,085)*	**1,506,571**	*7,618,340*
Net increase/(decrease) in cash and cash equivalents		102,695	*(16,474)*	2,539,561	*(1,247,590)*
Cash and cash equivalents at beginning of year		2,721	*19,195*	(169,840)	*1,077,750*
Cash and cash equivalents at end of year		**105,416**	*2,721*	**2,369,721**	*(169,840)*

The notes on pages 19 to 40 form part of these Financial Statements.

Notes to the Financial Statements
For the year ended 31 December 2011

1. Accounting Policies

a. General Information
Good Energy Group PLC is a company incorporated in the United Kingdom under the Companies Act.

The nature of the Group's operations and its principal activities are set out in the Directors' Report. The Company is listed on the PLUS Market in London. The Company's registered office is 2 Temple Back East, Temple Quay, Bristol, BS1 6EG and its principal place of business is Monkton Reach, Monkton Hill, Chippenham, Wiltshire, SN15 1EE. The Company's registered number is 04000623.

These Financial Statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates.

b. Basis of preparation of Financial Statements
These Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The preparation of Financial Statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period.

Although these estimates are based on management's reasonable knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The critical accounting judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the following accounting policy notes: Intangible assets (1.e), Property, plant and equipment (1.f), Current and deferred taxation (1.j).

Adoption of new and revised accounting standards

The Group has adopted the following new and amended IFRSs as of 1 January 2011:

		Effective Date: accounting periods commencing on or after
IFRS 3:	(revised May 2010): Business combinations	1 July 2010
IFRS 7:	(revised May 2010): Financial instruments	1 January 2011
IAS 1:	(revised May 2010): Presentation of Financial Statements	1 January 2011
IAS 24:	(revised November 2009): Related Party Disclosures	1 January 2011
IAS 27:	(revised May 2010): Separate Financial Statements	1 July 2010
IAS 32:	(revised 2009): Financial instruments: Presentation	1 February 2010
IAS 34:	(revised May 2010): Interim Financial Reporting	1 January 2011
IFRIC 13:	Customer loyalty programmes	1 January 2011

The adoption of these standards and interpretations have had no material impact on the Financial Statements of Good Energy Group PLC, with relevant changes impacting on presentational aspects only.

Notes to the Financial Statements
For the year ended 31 December 2011

1. Accounting Policies (continued)

b. Basis of preparation (continued)

Adoption of new and revised accounting standards (continued)
At the date of authorisation of these Financial Statements, the following standards and relevant interpretations, which have not been applied in these Financial Statements, were in issue but not yet effective, and have not been early adopted by the Group:

The adoption of these standards and interpretations are not expected to have a material impact on the Financial Statements of Good Energy Group PLC in the period they are applied.

		Effective Date: accounting periods commencing on or after
IFRS 7:	(revised October 2010): Financial instruments	1 July 2011
IFRS 7:	(revised December 2011): Financial instruments	1 January 2013
IFRS 9:	Financial instruments - Classification and measurement	1 January 2015
IFRS 10:	Consolidated Financial Statements	1 January 2013
IFRS 13:	Fair Value Measurement	1 January 2013
IAS 1:	(revised June 2011): Presentation of Financial Statements	1 July 2012
IAS 12:	(revised December 2010): Income Taxes	1 January 2012
IAS 19:	(revised June 2011): Employee Benefits	1 January 2013
IAS 27:	(revised May 2011): Separate Financial Statements	1 January 2013
IAS 32:	(revised December 2011): Financial instruments: Presentation	1 January 2014

c. Basis of Consolidation
The Group Financial Statements incorporate the Financial Statements of the Company and enterprises controlled by the Company (and its subsidiaries) made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The acquisition of subsidiaries is accounted for using the purchase method. On acquisition, the identifiable assets, liabilities and contingent liabilities of a subsidiary are measured their fair values at the date of acquisition. The interest of non-controlling minority shareholders is stated at the minority's proportion of the fair values of the identifiable assets, liabilities and contingent liabilities recognised. For business combinations made after 1 July 2009, costs directly attributable to the business combination will not be included in the measurement of cost, but expensed in the income statement in line with IFRS 3 (revised).

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary adjustments are made to the Financial Statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

All significant intercompany transactions and balances between Group enterprises are eliminated on Consolidation.

Notes to the Financial Statements
For the year ended 31 December 2011

1. Accounting Policies (continued)

d. Revenue recognition
Revenue and profit before tax represents the amounts derived from the provision of goods and services which fall within the Group's ordinary activities, stated net of value added tax, and excluding transactions with or between subsidiaries. All turnover and profit before tax arose within the United Kingdom.

Revenues from the sale of electricity and gas are recorded based upon output delivered at rates specified under contract terms or prevailing market rates as applicable.

Revenues from sales of Renewable Obligation Certificates (ROCs) are recorded at the invoiced value, net of value added tax. Revenue is recognised when the risks and rewards of ownership have been substantially transferred to a third party.

Revenues from sales of online shop goods are recorded at the purchase transaction amount, net of value added tax at the point of online sale.

e. Intangible assets and amortisation
Amortisation on fixed life intangible assets is charged to the consolidated Statement of Comprehensive Income on a straight-line basis over the estimated useful lives of intangible assets. The estimated useful lives for intangibles with definite lives are as follows:

Licenses	over 5 years
Website and software development costs	between 2 and 5 years

The Directors regularly review the intangible assets for impairment and provision is made if necessary. Assets that have an indefinite useful life, for example goodwill and original customer development costs, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f. Property, plant and equipment
Property, plant and equipment is 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:

Furniture, fittings & equipment	between 3 and 5 years
Re-powering costs	not depreciated while non-operational; when operational, costs moved to turbines & ancillaries
Leasehold improvements	over the life of the lease, until 2016
Turbines & ancillaries	24 years

The carrying value of property, plant and equipment is reviewed for impairment when events or changes in circumstance indicate that the carrying value may not be recoverable.

Notes to the Financial Statements
For the year ended 31 December 2011

1. Accounting Policies (continued)

g. Leases (continued)
Assets financed by leasing agreements that give rights approximating to ownership (finance leases) are capitalised at their fair value and depreciation is provided on the basis of the Group depreciation policy. The capital elements of future obligations under finance leases are included as liabilities in the Statement of Financial Position and the current year's interest element, having been allocated to accounting periods to give a constant periodic rate of charge on the outstanding liability, is charged to the Statement of Comprehensive Income.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Comprehensive Income as incurred.

h. Pensions
The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. The assets of the schemes are held separately from those of the Group in an independently administered fund.

i. Inventories
Under the provisions of the Utilities Act 2000, all electricity suppliers are required to procure a set percentage of their supplies from accredited renewable electricity generators. This obligation can be fulfilled by the purchase and surrender of ROCs originally issued to generators, or by making payments to OFGEM who then recycle the payments to purchasers of ROCs. Notwithstanding that Good Energy Limited, a Subsidiary company, supplies electricity sourced entirely from renewable generation, its percentage obligation to submit ROCs is set by OFGEM.

The accounting policy distinguishes between the cost of Good Energy Limited's obligations within the regulatory regime, and the tactical disposition towards purchasing and holding ROCs. The cost obligation is recognised as it arises and charged to the Statement of Comprehensive Income for the period to which the charge relates as a direct reduction of gross margin. Gains or losses on disposal of ROCs are included in the Statement of Comprehensive Income as and when they crystallise. The stock of ROCs carried forward is valued at the lower of cost and estimated realisable value.

Online shop merchandise is valued at the lower of cost and net realisable value.

j. Current and Deferred Taxation
The tax expense represents the sum of the tax currently payable and Deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary

Notes to the Financial Statements
For the year ended 31 December 2011

1. Accounting Policies (continued)

j. Current and Deferred Taxation (continued)
difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising in investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority, and the Group intends to settle its current tax assets and liabilities on a net basis.

k. Financial instruments and capital management
The Group uses certain financial instruments in its operating and investing activities that are deemed appropriate for its strategy and circumstances.

Financial instruments recognised on the Consolidated Statement of Financial Position include investments, cash and cash equivalents, trade receivables, trade payables and borrowings, all of which are measured at fair value.

Financial assets and liabilities are recognised on the Consolidated Statement of Financial Position when the Company has become a party to the contractual provisions of the instrument.

i. Investments

(i) Subsidiary Undertakings:
Shares in Subsidiaries are valued at cost less provision for permanent impairment.

(ii) Other investments:
Investments held as non-current assets are shown at cost less provisions for their permanent impairment.

(ii) Loans and receivables
The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the Consolidated Statement of Financial Position.

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset.

They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Notes to the Financial Statements
For the year ended 31 December 2011

1. Accounting Policies (continued)

k. Financial instruments and capital management (continued)
Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision. Cash and cash equivalents comprise cash on hand and on demand deposits, and other short term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Net cash and cash equivalents at the end of the reporting period totalled £2,369,721 (2010: (£169,840)).

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

iv. Trade and other payables
Trade and other payables are initially measured at fair value.

v. Equity Instruments
Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs. Details of the Group's equity are included in note 16.

vi. Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. The Group has cash resources available to it and has prepared forecasts for the forthcoming year which indicate that in the Directors' opinion it will have sufficient resources to fund the continuation of trade. Details of the Group's exposure to its liabilities, including a maturity analysis, is included in notes 18, 19 and 20.

vii. Interest rate risk
The financial risk is the risk to the Group's earnings that arises from fluctuations in interest rates and the degree of volatility of these rates. For short term bank overdraft facilities, the Group does not use derivative instruments to reduce its exposure to interest rate fluctuations. The Directors consider interest rate risk to be immaterial on this. For long term borrowings, the Group uses interest rate swaps to fix the interest rate payable on these material balances in order to mitigate the risk of any fluctuations in interest rates.

viii. Commodity price risk
The Group's operations results in exposure to fluctuations in energy prices. Management monitors energy prices and initiates instruments to manage exposure to these risks when it deems appropriate. Currently, the Group has not initiated any such instruments.

Notes to the Financial Statements
For the year ended 31 December 2011

1. Accounting Policies (continued)

ix. Credit risk
The Group's exposure to credit risk arises from its receivables from customers. At 31 December 2011 and 2010, the Group's trade and other receivables were classed as due within one year, details of which are included in note 15. The Group's policy is to undertake credit checks where appropriate on new customers and to provide for doubtful debts based on estimated irrecoverable amounts determined by reference to specific circumstances and past default experience. At the end of the reporting period the Directors have provided for specific doubtful debts and believe that there is no further credit risk.

x. Capital risk management
The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order, in due course, to provide returns to shareholders, and to maintain an optimal capital structure. The Group monitors capital on the basis of the gearing ratio calculated as net debt divided by total capital (equity plus net debt). The capital structure of the Group is as follows:

	2011 (£)	*2010 (£)*
Bank overdraft (see note 20)	-	*(169,840)*
Borrowings: current (see note 18)	**(511,366)**	*(620,174)*
Borrowings: non-current (see note 18)	**(9,201,557)**	*(7,170,251)*
Cash and cash equivalents	**2,369,721**	*-*
Net Debt	**(7,343,202)**	*(7,960,265)*
Total shareholders' equity	**6,703,593**	*5,852,151*

l. Borrowing costs
The Group expenses borrowing costs in the period the costs are incurred. Where borrowing costs are attributable to the acquisition, construction or production of a qualifying asset, such costs are capitalised as part of the specific asset. Details of the Group's borrowings are included in notes 18 and 20. During the year the Group capitalised all eligible borrowing costs of £nil (2010: £69,975).

Notes to the Financial Statements
For the year ended 31 December 2011

2. Segmental Analysis

The chief operating decision-maker has been identified as the Board of Directors (the 'Board'). The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Board considers the business from a business class perspective, with each of the main trading subsidiaries accounting for each of the business classes.

The Board assesses the performance of the operating segments based primarily on summary Financial Statements, extracts of which are reproduced below.

An analysis of profit and loss, assets and liabilities and additions to non-current asset, by class of business, with a reconciliation of segmental analysis to reported results follows:

Year ended 31 December 2011	Electricity Supply and FIT Administration (£)	Gas Supply (£)	Energy Generation (£)	Holding Companies (£)	Consolidation Adjustments (£)	Total (£)
Revenue						
Revenue from external customers	18,199,428	2,391,879	986,162	-	-	21,577,469
Inter-segment revenue	-	-	1,254,829	-	(1,254,829)	-
Total revenue	**18,199,428**	**2,391,879**	**2,240,991**	**-**	**(1,254,829)**	**21,577,469**
Expenditure						
Cost of sales	(11,707,748)	(1,737,347)	(208,078)	-	1,254,829	(12,398,344)
Administrative expenses	(4,811,337)	(503,317)	(263,157)	(784,382)	-	(6,362,193)
Depreciation & amortisation	(485,847)	(45,175)	(486,902)	(12,269)	-	(1,030,193)
Operating profit/(loss)	**1,194,496**	**106,040**	**1,282,854**	**(796,651)**	**-**	**1,786,739**
Net finance (costs)/ income	(16,630)	9,016	(711,452)	(11,768)	-	(730,834)
Taxation	(238,052)	(30,491)	(105,259)	169,339	-	(204,463)
Dividends (paid)/received	(600,000)	(200,000)	-	800,000	-	-
Net profit/(loss) for year	**339,814**	**(115,435)**	**466,143**	**160,920**	**-**	**851,442**
Segment assets & liabilities						
Segment assets	8,111,336	930,281	13,609,597	5,690,415	(5,531,013)	22,810,616
Segment liabilities	(5,206,901)	(512,498)	(10,908,855)	(1,195,519)	1,716,750	(16,107,023)
Net assets	**2,904,435**	**417,783**	**2,700,742**	**4,494,896**	**(3,814,263)**	**6,703,593**
Additions to non-current assets	**582,786**	**-**	**-**	**1,500**	**-**	**584,286**

Notes to the Financial Statements
For the year ended 31 December 2011

2. Segmental Analysis (continued)

Year ended 31 December 2010	Electricity Supply and FIT Administration (£)	Gas Supply (£)	Energy Generation (£)	Holding Companies (£)	Consolidation Adjustments (£)	Total (£)
Revenue						
Revenue from external customers	*17,868,232*	*2,077,532*	*90,504*	-	-	*20,036,268*
Inter-segment revenue	*60,000*	-	*400,699*	-	*(460,699)*	-
Total revenue	*17,928,232*	*2,077,532*	*491,203*	-	*(460,699)*	*20,036,268*
Expenditure						
Cost of sales	*(12,474,537)*	*(1,308,591)*	*(170,001)*	-	*400,699*	*(13,552,430)*
Administrative expenses	*(4,180,528)*	*(374,039)*	*(59,660)*	*(653,537)*	*60,000*	*(5,207,764)*
Depreciation & amortisation	*(333,513)*	*(78,933)*	*(138,668)*	*(182)*	-	*(551,296)*
Operating profit/(loss)	*939,654*	*315,969*	*122,874*	*(653,719)*	-	*724,778*
Net financing (costs)/ income	*26,090*	*(2,609)*	*722*	*(43,641)*	-	*(19,438)*
Taxation	*(75,677)*	*(9,000)*	*(106,889)*	-	-	*(191,566)*
Dividends (paid)/received	*(850,000)*	-	*(1,505,126)*	*2,355,126*	-	-
Net profit/(loss) for year	*40,067*	*304,360*	*(1,488,419)*	*1,657,766*	-	*513,774*
Segment assets & liabilities						
Segment assets	*8,335,162*	*902,418*	*12,907,937*	*4,920,935*	*(5,678,217)*	*21,388,235*
Segment liabilities	*(5,770,541)*	*(369,200)*	*(10,673,339)*	*(586,960)*	*1,863,956*	*(15,536,084)*
Net assets	*2,564,621*	*533,218*	*2,234,598*	*4,333,975*	*(3,814,261)*	*5,852,151*
Additions to non-current assets	*119,251*	*73,666*	*10,475,994*	*3,300*	-	*10,672,211*

All turnover arose within the United Kingdom.

Notes to the Financial Statements
For the year ended 31 December 2011

3. Operating Profit and Administrative Expenses

	2011 (£)	2010 (£)
The Operating Profit is stated after charging:		
Depreciation and impairment charges	654,876	257,810
Amortisation of intangible assets	375,317	293,486
Operating lease rentals	222,640	171,647
Auditors' Remuneration		
Audit fees	59,200	47,000
Non-audit fees	12,050	24,500
The Administrative Expenses comprise the following:		
Staff costs	3,600,781	2,829,259
Rent and office costs	1,055,509	739,314
Marketing costs	466,157	400,792
Professional fees and bank charges	524,886	649,372
Bad debts	714,860	642,433
Depreciation and amortisation	1,018,993	551,296
Impairment	11,200	-
Gain on disposal of property, plant and equipment	-	(53,406)
Total	7,392,386	5,759,060

4. Profit of Parent Company

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the Parent Company is not presented as part of these Financial Statements. The Parent Company's profit for the financial year was £328,210 (2010: £214,620).

Notes to the Financial Statements
For the year ended 31 December 2011

5. Staff Costs

Staff costs, including Directors' remuneration, were as follows:

	2011 (£)	2010 (£)
Wages and salaries	3,087,733	2,466,915
Social security costs	331,032	230,235
Other pension costs	182,016	132,109
Total	3,600,781	2,829,259

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

	2011 (Number)	2010 (Number)
Operations	38	31
Business services	57	51
Total management and administration	95	82

Staff costs relate to the Parent Company and its Subsidiary companies.

6. Directors' Remuneration

During the year retirement benefits were accruing to 2 Directors (2010: 2) in respect of money purchase pension schemes.

	2011 (£)	2010 (£)
Aggregate emoluments	408,349	326,990
Contributions to money purchase pension schemes	22,995	14,043

During the year compensation for loss of office to a former Executive Director of £80,000 (2010: £61,930) was paid by the Company.

In respect of the highest paid Director, the Group paid remuneration of £162,572 (2010: £133,590), and made contributions to the money purchase pension scheme of £11,736 (2010: £11,450).

Individual remuneration for the Directors is set by the Remuneration Committee of the Board which consists entirely of Non-Executive Directors. Appropriate Keyman insurance policies are in place.

7. Finance Income

	2011 (£)	2010 (£)
Bank and other interest receivable	6,482	-

Notes to the Financial Statements
For the year ended 31 December 2011

8. Finance Costs

	2011 (£)	2010 (£)
On bank loans and overdrafts	729,839	16,889
Other interest payable	7,477	2,549
Total	737,316	19,438

9. Taxation

	2011 (£)	2010 (£)
Analysis of tax charge in year		
Current tax (see note below)		
UK Corporation Tax on profits for the year	-	186,958
Adjustments in respect of prior years	(76,072)	(37,154)
Total current tax	(76,072)	149,804
Deferred tax		
Current year charge	312,268	19,582
Adjustments in respect of prior years	(31,733)	22,180
Total deferred tax (see note 17)	280,535	41,762
Tax on profit on ordinary activities	204,463	191,566

Factors affecting the tax charge for the year

The tax assessed for the year is lower (2010: lower) than the standard weighted average rate of Corporation Tax in the UK of 26.5% (2010: 28%). The differences are explained below:

	2011 (£)	2010 (£)
Profit before tax	1,055,905	705,340
Profit before tax multiplied by the weighted average rate of Corporation Tax in the UK of 26.5% (2010: 28%)	279,815	197,495
Effects of:		
Expenses not deductible for tax purposes	50,939	792
Effects of changes in tax rate	(18,736)	(1,646)
Losses carried forward/(utilised)	-	14,879
Small company tax relief	-	(4,857)
Prior year adjustment - current tax	(76,072)	(37,154)
Prior year adjustment - deferred tax	(31,733)	22,180
Deferred tax movements not recognised	250	(123)
Total tax charge for year (see note above)	204,463	191,566

Notes to the Financial Statements
For the year ended 31 December 2011

9. Taxation (continued)

The weighted average applicable tax was 26.5% (2010: 28%), which reflects the applicable UK Corporation Tax rate. The deferred tax liability has been recorded at the UK Corporation Tax rate at which it is expected to be recovered/settled.

Factors that may affect future tax charges

The Budget announcement by the Chancellor of the Exchequer on 21 March 2012 (the 'March 2012 Budget') included changes to the main rates of tax for UK companies, which were substantively enacted on 26 March 2012. The announcement included legislation to reduce the main rate of corporation tax from 26 per cent to 24 per cent from 1 April 2012. Further reductions to the main rate are proposed to reduce the rate by 1 per cent per annum to 22 per cent by 1 April 2014.

The proposed reductions of the main rate of corporation tax by 1 per cent per year to 22 per cent by 1 April 2014 are expected to be enacted separately each year.

Corporation tax recoverable as per Statement of Financial Position

	Parent Company		Consolidated	
	2011 (£)	2010 (£)	2011 (£)	2010 (£)
UK Corporation Tax on profits for the year	(113,053)	-	(45,668)	64,673

10. Earnings Per Ordinary Share

The calculation of basic earnings per share at 31 December 2011 was based on the net profit attributable to owners of the parent of £851,442 (2010: £513,774) and a weighted average number of ordinary shares outstanding during the year ended 31 December 2011 of 6,871,337 (2010: 6,871,337) after excluding the shares owned by Clarke Willmott Trust Corporation Limited in trust of the Good Energy Group Employee Share Option Scheme.

The calculation of diluted earnings per share at 31 December 2011 was based on the net profit attributable to owners of the parent of £851,442 (2010: £513,774) and a weighted average number of ordinary shares outstanding during the year ended 31 December 2011 of 7,816,767 (2010: 7,816,767), calculated as follows:

	Consolidated	
	2011 (Number)	2010 (Number)
Basic weighted average number of ordinary shares	6,871,337	6,871,337
Dilutive potential Ordinary Shares:		
Shares held by Clarke Willmott Trust Corporation Limited	945,430	945,430
Weighted average number of Ordinary Shares (diluted)	7,816,767	7,816,767

As at 31 December 2011, if all live share options were met to the extent of the shareholdings of the Clarke Willmott Trust Corporation Limited as trustees of the Good Energy Group Employee Benefit Trust, the diluted issued share capital would be 8,367,737 (2010: 8,367,737).

Good Energy Group

Notes to the Financial Statements
For the year ended 31 December 2011

11. Property, Plant and Equipment

Year ended 31 December 2011	Leasehold improvements (£)	Furniture fittings & equipment (£)	Turbines & ancillaries (£)	Re-powering costs (£)	Total (£)
Cost					
Opening balance	87,495	502,765	11,977,094	-	12,567,354
Additions	6,065	42,461	-	-	48,526
Adjustment of over provision of prior year additions	-	-	(251,993)	-	(251,993)
At 31 December 2011	93,560	545,226	11,725,101	-	12,363,887
Accumulated depreciation					
Opening balance	(44,422)	(358,647)	(22,000)	-	(425,069)
Depreciation	(11,468)	(145,307)	(486,901)	-	(643,676)
At 31 December 2011	(55,890)	(503,954)	(508,901)	-	(1,068,745)
Carrying amount					
At 1 January 2011	43,073	144,118	11,955,094	-	12,142,285
At 31 December 2011	37,670	41,272	11,216,200	-	11,295,142

Year ended 31 December 2010	*Leasehold improvements (£)*	*Furniture fittings & equipment (£)*	*Turbines & ancillaries (£)*	*Re-powering costs (£)*	*Total (£)*
Cost					
Opening balance	*79,495*	*462,894*	*3,182,110*	*1,501,100*	*5,225,599*
Additions	*8,000*	*39,871*	*-*	*10,475,994*	*10,523,865*
Disposals	*-*	*-*	*(3,182,110)*	*-*	*(3,182,110)*
Transfers	*-*	*-*	*11,977,094*	*(11,977,094)*	*-*
At 31 December 2010	*87,495*	*502,765*	*11,977,094*	*-*	*12,567,354*
Accumulated depreciation					
Opening balance	*(24,147)*	*(259,779)*	*(2,890,444)*	*-*	*(3,174,370)*
Disposals	*-*	*-*	*3,007,111*	*-*	*3,007,111*
Depreciation	*(20,275)*	*(98,868)*	*(138,667)*	*-*	*(257,810)*
At 31 December 2010	*(44,422)*	*(358,647)*	*(22,000)*	*-*	*(425,069)*
Carrying amount					
At 1 January 2010	*55,348*	*203,115*	*291,666*	*1,501,100*	*2,051,229*
At 31 December 2010	*43,073*	*144,118*	*11,955,094*	*-*	*12,142,285*

The assets of the Company's subsidiary, Good Energy Delabole Wind Farm Limited, have been pledged as security against its bank loan liability.

Notes to the Financial Statements
For the year ended 31 December 2011

12. Intangible Assets

Year ended 31 December 2011	Original customer development (£)	Licences (£)	Website development costs (£)	Goodwill and other intangibles (£)	Total (£)
Cost					
Opening balance	600,000	1,042,722	123,306	846,453	2,612,481
Additions	-	535,760	-	-	535,760
At 31 December 2011	600,000	1,578,482	123,306	846,453	3,148,241
Accumulated amortisation					
Opening balance	-	(487,629)	(58,399)	-	(546,028)
Amortisation	-	(310,410)	(64,907)	-	(375,317)
At 31 December 2011	-	(798,039)	(123,306)	-	(921,345)
Carrying amount					
At 1 January 2011	600,000	555,093	64,907	846,453	2,066,453
At 31 December 2011	600,000	780,443	-	846,453	2,226,896

Year ended 31 December 2010	*Original customer development (£)*	*Licences (£)*	*Website development costs (£)*	*Goodwill and other intangibles (£)*	*Total (£)*
Cost					
Opening balance	*600,000*	*894,376*	*123,306*	*846,453*	*2,464,135*
Additions	*-*	*148,346*	*-*	*-*	*148,346*
At 31 December 2010	*600,000*	*1,042,722*	*123,306*	*846,453*	*2,612,481*
Accumulated amortisation					
Opening balance	*-*	*(218,804)*	*(33,738)*	*-*	*(252,542)*
Amortisation	*-*	*(268,825)*	*(24,661)*	*-*	*(293,486)*
At 31 December 2010	*-*	*(487,629)*	*(58,399)*	*-*	*(546,028)*
Carrying amount					
At 1 January 2010	*600,000*	*675,572*	*89,568*	*846,453*	*2,211,593*
At 31 December 2010	*600,000*	*555,093*	*64,907*	*846,453*	*2,066,453*

Notes to the Financial Statements
For the year ended 31 December 2011

12. Intangible Assets (continued)

Goodwill and other intangibles comprise £460,996 arising from the original acquisition of Good Energy Limited, and £385,457 from the original acquisition of the Group's generation business and which represents an enduring permission to operate a wind farm on the site and the avoided future cost of connecting successive turbines on the site to the electricity grid.

The carrying values of indefinite life assets included in intangible assets are: Goodwill and other intangibles of £846,453; Original customer development costs of £600,000; Licences of £180,000. In arriving at the conclusion that these assets have an indefinite life, management considers the fact that the Group is a profitable business and expects to hold and support these assets for an indefinite period.

An impairment review is undertaken annually or more frequently using cash flow forecasts discounted at appropriate rates.

The result of this review was that no impairment is required in respect of the carrying values of the indefinite life assets.

Included in Licences are assets held under finance lease agreements with a carrying value at 31 December 2011 of £450,000 (2010: £nil).

13. Investments

Parent Company	Shares in Group undertakings (£)	Loans to Group undertakings (£)	Unlisted Investments (£)
At cost, opening balance	4,645,894	215,716	4,861,610
Advances	-	380,433	380,433
Total	**4,645,894**	**596,149**	**5,242,043**

	Consolidated Unlisted Investments (£)
At cost, opening balance	11,258
Impairments	(11,200)
Total	**58**

Significant subsidiaries for Group and Parent	
The principal activities of the subsidiaries are as follows:	
Good Energy Ltd (100% owned):	supply of renewable electricity and FIT Administration
Good Energy Generation Ltd (100% owned):	an investor in potential new generation sites
Good Energy Gas Ltd (100% owned):	supply of gas
Good Energy Delabole Wind Farm Ltd (100% owned):	generation of electric power by wind turbine machinery

Notes to the Financial Statements
For the year ended 31 December 2011

14. Inventories

	Parent Company		Consolidated	
	2011 (£)	*2010 (£)*	2011 (£)	*2010 (£)*
Online shop merchandise	-	-	-	*4,431*
Renewable Obligation Certificates	-	-	**3,536,946**	*3,060,163*
Total	-	-	**3,536,946**	*3,064,594*

As at 31 December 2011 there were Renewable Obligation Certificates (ROCs) of £901,620 (2010: £798,685) included in the above amount that were unissued for generation that had already taken place and therefore these ROCs were not available for sale before the end of the reporting period.

15. Trade and Other Receivables

	Parent Company		Consolidated	
	2011 (£)	*2010 (£)*	2011 (£)	*2010 (£)*
Trade receivables	-	-	**2,624,162**	*3,250,135*
Prepayments	-	*6,965*	**529,224**	*261,242*
Value added tax recoverable	**5,122**	*1,374*	**182,799**	*592,268*
Interest from Group companies	**12,082**	*1,282*	-	-
Total	**17,204**	*9,621*	**3,336,185**	*4,103,645*

16. Called-Up Share Capital

	Parent Company and Consolidated	
	2011 (£)	*2010 (£)*
Authorised		
20,000,000 Ordinary Shares of 5p each	**1,000,000**	*1,000,000*

	Parent Company		Consolidated	
	2011 (Number)	*2010 (Number)*	2011 (£)	*2010 (£)*
Ordinary Shares of 5p each				
Total shares issued	**7,816,767**	*7,816,767*	**390,838**	*390,838*
Sub total	**7,816,767**	*7,816,767*	**390,838**	*390,838*
Adjustment for own shares held				
Own shares held brought forward	**(945,430)**	*(945,430)*	**(47,271)**	*(47,271)*
Total own shares held	**(945,430)**	*(945,430)*	**(47,271)**	*(47,271)*
Total	**6,871,337**	*6,871,337*	**343,567**	*343,567*

Classified as own shares held in the above table are shares held by Clarke Willmott Trust Corporation Limited in trust for the present and the future beneficiaries of the Good Energy Group Employee Share Option Scheme.

Notes to the Financial Statements
For the year ended 31 December 2011

17. Deferred Taxation

	Parent Company 2011 (£)	2010 (£)	Consolidated 2011 (£)	2010 (£)
At 1 January	-	-	115,489	73,727
Charged to the Statement of Comprehensive Income	-	-	280,535	41,762
At 31 December	-	-	396,024	115,489

The provision for Deferred Taxation is made up as follows:

	Parent Company 2011 (£)	2010 (£)	Consolidated 2011 (£)	2010 (£)
On accelerated capital allowances	-	-	546,188	119,363
On short term timing differences	-	-	(82,194)	(3,874)
Losses	-	-	(67,970)	-
Total	-	-	396,024	115,489

The Company has unutilised capital losses of £130,822 (2010: £130,822) and unutilised management charges of £19,261 (2010: £19,261) resulting in a deferred tax asset which has not been recognised in the Financial Statements. In addition, Good Energy Delabole Wind Farm Limited, a Subsidiary company, has unutilised losses of £nil (2010: £53,139). The Directors cannot assess with sufficient certainty that the deferred tax asset thereon of £37,520 (2010: £54,870) will be recoverable in the foreseeable future following the recovery of the other timing differences or capital gains and therefore no tax credit arises in respect of the current period and preceding year's losses.

18. Borrowings and Other Financial Liabilities

	Parent Company 2011 (£)	2010 (£)	Consolidated 2011 (£)	2010 (£)
Current:				
Bank loan	-	-	368,843	620,174
Finance lease obligation	-	-	142,523	-
Total	-	-	511,366	620,174

	Parent Company 2011 (£)	2010 (£)	Consolidated 2011 (£)	2010 (£)
Non-current:				
Bank loan	-	-	8,928,153	7,170,251
Finance lease obligation	-	-	273,404	-
Loans from Group companies	256,611	409,660	-	-
Total	256,611	409,660	9,201,557	7,170,251

Notes to the Financial Statements
For the year ended 31 December 2011

18. Borrowings and Other Financial Liabilities (Continued)

The bank loan relates to the Company's subsidiary, Good Energy Delabole Wind Farm Limited, and is secured by a mortgage debenture on that Company dated 16 January 2010 incorporating a fixed and floating charge over all current and future assets of that subsidiary. The facility will be repaid from future cash flows arising from the wind farm of this Company.

On 7 January 2011 the loan balance was rolled up into a Term Loan Facility repayable over 15 years with capital and interest payments scheduled bi-annually payable at an annual rate of 7.15%.

As part of the bank loan agreement, the Lender requires a minimum balance to be held in separate debt service reserve accounts. At the end of the year the amount was £630,634 (2010: £nil), which is included in the cash and cash equivalents figure of £2,369,721 shown in the Consolidated Statement of Financial Position.

	Finance lease (£)	Bank loan (£)	Total (£)
31 December 2011			
Due less than 1 year	142,523	368,843	511,366
Due between 1 and 5 years	273,404	1,649,002	1,922,406
Due more than 5 years	-	7,279,151	7,279,151
Total	415,927	9,296,996	9,712,923

	Finance lease (£)	Bank loan (£)	Total (£)
31 December 2010			
Due less than 1 year	-	620,174	620,174
Due between 1 and 5 years	-	1,245,595	1,245,595
Due more than 5 years	-	5,924,656	5,924,656
Total	-	7,790,425	7,790,425

19. Trade and Other Payables

	Parent Company 2011 (£)	2010 (£)	Consolidated 2011 (£)	2010 (£)
Trade payables	63,106	9,255	1,437,549	1,801,115
Accruals and deferred income	324,556	44,500	3,886,198	4,837,841
Interest payable to Group companies	174,026	79,330	-	-
Social security and other taxes	-	-	80,931	63,493
Other payables	-	-	593,398	693,208
Total	561,688	133,085	5,998,076	7,395,657

Notes to the Financial Statements
For the year ended 31 December 2011

20. Bank Overdraft

	Parent Company 2011 (£)	2010 (£)	Consolidated 2011 (£)	2010 (£)
Bank overdraft	-	-	-	*169,840*

The bank overdraft in 2010 related to the Company's subsidiary, Good Energy Limited. The overdraft facilities are secured by an unscheduled mortgage debenture on that Company dated 14 December 2010 incorporating a fixed and floating charge over all current and future assets of that subsidiary. The Group's policy is to show the aggregate amount of debit and credit cash balances when the accounts are overdrawn, as the bank considers this position when calculating interest thereon.

21. Dividends

Amounts recognised as distributions to shareholders in the year (based on the number of shares in issue at the record date):

	2011 (£)	2010 (£)
Equity dividends paid of £nil (2010: 2.5p per share)	-	*172,085*

22. Cash Flows

Reconciliation of net income to net cash provided by operating activities:

	Parent Company 2011 (£)	2010 (£)	Consolidated 2011 (£)	2010 (£)
Operating (loss)/profit	**(577,220)**	*(429,573)*	**1,786,739**	*724,778*
Adjustment:				
Depreciation	-	-	**643,676**	*257,810*
Amortisation	-	-	**375,317**	*293,486*
Impairments	-	-	**11,200**	-
(Increase)/decrease in inventories	-	-	**(472,352)**	*(743,120)*
(Increase)/decrease in trade and other receivables	**3,217**	*115,424*	**767,460**	*(879,865)*
(Decrease)/increase in trade and other payables	**333,907**	*16,883*	**(729,661)**	*2,248,662*
(Increase)/decrease in loans to group companies	**(449,586)**	*786,141*	-	-
Net cash inflow from operations	**(689,682)**	*488,875*	**2,382,379**	*1,901,751*

Notes to the Financial Statements
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23. Share Based Payments

In order to retain the services of key employees and to incentivise their performance, the Parent Company operates the Good Energy Employee Share Option Scheme under which certain employees of the Group are granted options to acquire Ordinary 5p Shares at future dates. No costs were recognised in the Consolidated Statement of Comprehensive Income in respect of these options. As at 31 December 2011, the following options had been issued:

	Number of options 2011 (Number)	2010 (Number)	Weighted Exercise Price 2011 (£)	2010 (£)
Outstanding at the beginning of the year	**1,496,400**	*1,296,400*	**1,097,300**	*897,300*
Granted	**200,000**	*200,000*	**200,000**	*200,000*
Lapsed	**(200,000)**	-	**(200,000)**	-
Total	**1,496,400**	*1,496,400*	**1,097,300**	*1,097,300*

In order to avoid the potentially dilutive effect which otherwise could arise if these options were exercised in full, 945,430 (2010: 945,430) shares representing approximately 63% (2010: 63%) of the options outstanding have already been issued and held by Clarke Willmott Trust Corporation Limited as the Trustee for the Scheme. These shares are not entitled to Dividends. Since the end of the reporting period a further 562,946 share options have been granted and 117,600 have been exercised.

24. Pensions

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost represents contributions payable by the Group to the fund and amounted to £182,016 (2010: £132,109).

Contributions totalling £19,890 (2010: £17,825) were payable to the fund at the end of the reporting period and are included in other payables.

The Group has no further pension liability either realised or contingent and in line with the Group's environmental position all employer contributions are invested within a suitable fund.

25. Operating Lease Commitments

Rentals payable over the life of non-cancellable operating leases are as follows:

	Parent Company 2011 (£)	2010 (£)	Consolidated 2011 (£)	2010 (£)
Leases as lessee				
Less than one year	-	-	**197,257**	*150,009*
Between one and five years	-	-	**520,083**	*600,036*
More than five years	-	-	-	*25,002*
Total	-	-	**717,340**	*775,047*

Details of commitments under variable term operating leases are contained in note 26.

Notes to the Financial Statements
For the year ended 31 December 2011

26. Related Party Transactions

The Company's significant subsidiary undertakings, including the name and proportion of ownership interest for each, are disclosed in note 13. Transactions between subsidiaries and between the Company and its subsidiaries are eliminated on consolidation. During the year the Company had investment transactions with its subsidiaries. Interest is charged on these loans at 2.5% above the Bank of England base rate. Details of the amounts outstanding and received during the year are contained in notes 15, 18 and 19.

The Directors consider Windelectric Management Limited to be a related party by virtue of Martin Edwards, a director of the Company, having a controlling interest of it. Windelectric Limited, a subsidiary company, had entered into an agreement with Windelectric Management Limited to provide services in connection with the operation and management of Delabole Wind Farm. The amount payable under this agreement during the current year was £nil (2010: £145,131), made at arm's length. Of these figures no amounts were outstanding at the end of the reporting period (2010: £nil). This agreement was cancelled in 2010.

In January 2010 Good Energy Delabole Wind Farm Limited, a subsidiary company, entered into an agreement with Windelectric Management Limited, a company in which Martin Edwards has a controlling interest, to provide site management for the new wind farm at Delabole. The amount payable each year is £75,000 index linked. The amount payable under this agreement during the current year was £75,000 (2010: £3,082), made at arms length. Of these figures no amounts were outstanding at the end of the reporting period (2010: £nil).

Windelectric Limited had entered into a 25 year lease agreement dated 16 August 1991 with Martin Edwards and other parties, in respect of the land which some of the turbines occupied. The amount paid under the agreement during the current year was £nil (2010: £40,161), made at arm's length. Of these figures no amounts were outstanding at the end of the reporting period (2010: £nil). The lease was cancelled on 9th November 2010.

In January 2010, Good Energy Delabole Wind Farm Limited entered into a 25 year lease with Martin Edwards and other parties, in respect of the land which some of the new turbines occupy. For the first 10 years of operation the rent will be the higher of an annual base rent of £50,240 or 3.25% of gross income from the wind farm and from the 10th anniversary onwards it will be 4.5% of gross income from the wind farm.

The amount payable under this agreement during the current year was £72,631 (2010: £7,157), made at arm's length. Of these figures no amounts were outstanding at the end of the reporting period (2010: £nil).