Annual Report & Accounts 2024

Our purpose is to power a cleaner, greener future together.

Good Energy was set up to enable people to be part of a practical solution to climate change, by using renewable power in their homes and businesses.

Our 2024 Annual Report and Accounts reflects a year of significant progress aligned with our ambition to make it simple to generate, use and share clean power.

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goodenergy.co.uk

Why we exist

A whole green home or business

Good Energy is a microgeneration specialist, supporting the growth of independent and small-scale renewable generation in Britain.

SUPPLY

100% renewable electricity, from the only home energy supplier certified by B Corp.

GENERATE

Solar, heat pump, EV charger and battery installation. Export tariffs and energy flexibility services.

TRANSPORT

A key investor in Zapmap, making it easier to own, drive and charge an EV – at home and on the go.

Performance highlights

Financial highlights

Revenue (£m)

2024	180.1
2023	254.7

Revenues are directly linked to externally driven commodity costs.

Profit before tax (£m)

2024	6.6
2023	5.7

Reported profit before tax of £6.6m an increase of 16% on prior year.

Cash & cash equivalents (£m)

2024	28.6
2023	41.3

Reflects £5m inflows from operational activities, offset by £(18)m of cash outflows primarily related to investment activities.

Gross margin (%)

2024	24.4
2023	17.4

Reflects return to normal margin levels as wholesale markets and associated tariffs stabilise following extraordinary levels seen in 2023.

Non-financial highlights

Achieving B Corp certification scoring particularly highly for our environmental policies.

Expanding solar and heat pump installation to more areas of England and Wales.

Support for microgeneration: smart export, REGO payments and support for co-op energy projects.

Five star service, rated by our customers on Trustpilot. Good Energy secured and maintained five star status in 2024.

Green growth

Enhancing our energy service

Good Energy is well positioned to support British households and businesses at any stage of the journey to reduce carbon emissions and become more energy independent.

2024 marked the 25th anniversary of Good Energy. As well as continuing to be one of the only providers of real 100% renewable tariffs, we now support more homes and businesses than ever to generate and use their own renewable energy.

> **"We are extremely impressed by the expertise and commitment both to sustainability and to great service displayed by the installation team.**
>
> **MATTHEW STEVENS**

SCAN TO HEAR MORE FROM OUR COMMERCIAL SOLAR CLIENTS

"We wanted our home to be sustainable and efficient – getting rid of fossil fuels was a must.

RICHARD & RACHEL
Bristol

SCAN TO WATCH GREEN HOME STORIES FROM GOOD ENERGY CUSTOMERS

Expanding our solar footprint

In 2024 we made a further three strategic acquisitions to expand our solar installation capability. JPS Group, Amelio and Empower are now part of Good Energy Solar – enabling Good Energy to complete domestic solar installations across south and central England, as well as commercial installations nationwide.

- Acquisition of JPS Group grew solar services across the South East
- Amelio joined Good Energy bringing domestic and commercial solar installation capability in the north of England
- With Empower joining Good Energy we are able to offer nationwide commercial solar installations

Proof of purpose

A certified sustainable business

Good Energy has long advocated for greater transparency in the energy market, to enable consumers to find products that are as sustainable as they appear.

In 2024, we were recognised for our environmental standards of our products in a number of ways. From being named a Which? Eco Provider for Energy for a fourth year, to becoming Britain's only home energy supplier to become a Certified B Corp.

The median overall B Corp impact score is 50.9. **Good Energy's score is**

118.5 points

What is B Corp?

Certified B Corporations, or B Corps, are companies verified by B Lab to meet high standards of social and environmental performance, transparency and accountability. To achieve B Corp Certification, a company must score at least 80 points in the B Impact Assessment – a tool designed to measure a business's impact on its workers, community, customers and the environment.

The microgeneration specialist

We have always known we can have the largest positive impact by empowering households and businesses to be part of the clean energy transition. As well as having a significant Feed-in Tariff customer base, we have enhanced our services for independent generators, including by providing smart export payments and REGO accreditation.

> **"We are proud to be able to give customers the opportunity to choose an energy company which prioritises people and planet alongside profit.**
>
> **NIGEL POCKLINGTON**
> CEO of Good Energy

Green foundations: meet our generators

Our 100% renewable electricity tariffs are made possible by our community of over 2,500 independent British generators.

SCAN TO HEAR THEIR STORIES

Operational review

Business review

On 27 January 2025, the boards of Good Energy Group PLC ("**Good Energy**") and Esyasoft Investment Holding RSC Limited ("**Esyasoft**") announced that they had reached agreement on the terms of a recommended all cash acquisition of £4.90 per share for the entire issued and to be issued ordinary share capital of Good Energy.

On 18 February 2025, the boards of Good Energy and Esyasoft announced that Esyasoft had determined, with consent of Good Energy and the Takeover Panel, to implement the Acquisition by way of a scheme of arrangement under Part 26 of the Companies Act 2006.

The Court Meeting and General Meeting were held on 13 March 2025 at which time the offer was approved by shareholders.

On the 7 April 2025 the Court sanctioned the Scheme and on the 9 April 2025 Good Energy was de-listed from AIM. As a result, Good Energy Group PLC will re-register as a private company.

The acquisition of the Good Energy Group will not impact the going concern assessment prepared by the Directors as the group was a standalone entity as at the balance sheet date.

The acquisition became effective on 9th April 2025.

Due to these events, Good Energy will not be declaring a dividend.

Operational review

2024 was another significant step forward in Good Energy's strategic journey. Good Energy expanded its services in scale, breadth and reach through further acquisitions and new products and propositions.

Future developments

Renewable supply

Good Energy continues to supply truly renewable electricity to business and domestic customers, sourced from a community of over 2,500 independent renewable generators. Its model is unique in the market, fully backed via direct agreements with renewable generators and matched with customer demand on an hourly time basis 90% of the time.

Retaining both Which? Eco Provider status and Uswitch Green Accreditation Gold Standard for its tariffs, Good Energy is the only supplier which holds both awards. It also remained rated 'five stars' for customer service on TrustPilot throughout the year. Good Energy also secured B Corp certification in 2024, becoming the only UK domestic energy supplier to hold the accreditation for high environmental and social governance standards.

In order to retain certification, all B Corps must legally embed their commitment to having a positive environmental and social impact in their Articles of Association. Although Good Energy certified in 2024, we were blocked from securing on-going certification due to our major shareholder voting against this legal embedment. Following the recent acquisition, we are committed to pursuing recertification on an enduring basis.

Good Energy's industry leading hourly matching product provided via Granular Energy gives business customers insight into their individual matching, for more in depth carbon reporting and data on how to adapt their energy use to be greener.

It began the process of moving business customer accounts to Kraken, the platform it has been successfully managing domestic customer accounts through since 2020.

Gas transition plan

At a minimum, 10% of the gas Good Energy supplies is renewable biogas – and in 2023-2024 percentages reached as high as 43%. Good Energy also offset emissions by investing in Gold Standard projects improving access to clean energy around the world.

While the biogas supplied is produced via anaerobic digestion and is carbon neutral, Good Energy knows that the long-term decarbonisation of heat will be primarily driven by electrification.

Good Energy has committed to cease selling fossil gas by 2040, to reflect the reducing customer demand for gas for heating.

Solar installation services

Following two acquisitions in solar installations and heat pumps in 2023 and 2022, the Group made a further three acquisitions in 2024 expanding its solar installation services nationally.

JPS Renewable Energy Limited ("**JPS**") and Trust Solar Wholesale Limited ("**Trust**") (together the "**JPS Group**") were acquired in February 2024. The Kent based installer provides coverage across London and the South East.

Lincolnshire based Amelio Enterprises Limited ("**Amelio**") was acquired in October 2024, growing Good Energy's solar installation coverage in the north of England.

Empower Energy Limited ("**Empower**") was also acquired in October 2024, providing nationwide commercial installation coverage, bolstering Good Energy's existing solar installation presence in Dorset following the acquisition of Wessex EcoEnergy Limited, now rebranded to Good Energy Solar.

Solar export

The UK's second largest Feed-in-Tariff administrator, Good Energy continued to transition customers from deemed Feed-in-Tariff rates to smart export. Its standalone solar export products are also industry leading, with its Solar Savings Exclusive rate of 40p offering the best return for domestic solar customers on the market.

Heat

Good Energy continued to develop its heat pump product offering, introducing high temperature heat pump installs and a new heat pump tariff designed to cut running costs without the requirement of customer behaviour change.

Flexibility

In addition to the heat pump tariff, Good Energy introduced another time-of-use based fixed tariff providing lower rates at different times of day. Good Energy's Smart EV tariff offers both an off peak rate that is lower than much of the market in addition to a Zapmap Premium subscription.

Good Energy also innovated in automated flexibility through FlexiRewards – a product rewarding heat pump and battery installation customers. Customers received £5 to £20 payments for passive participation in National Grid's 'demand flexibility service', whereby their technology automatically responds to flexibility events.

Zapmap

In June 2024 Good Energy announced a further strategic investment in Zapmap, in which it currently holds 49.9% of issued share capital, via a secured convertible loan note of £1.7m. A further £1.85m was invested through an extension post period end in January 2025. This investment is funding continued growth of Zapmap's industry leading business-to-business offerings.

Business model

Good Energy provides clean energy services to homes and businesses. This includes 100% renewable electricity sourced from over 2,500 renewable generators and Feed-in-Tariff administration services to over 180,000 customers. Good Energy provides premium quality solar installation services to homes and businesses, in addition to storage, EV charging and heat pump installations to homes. It also provides market leading flexible and export tariffs.

Key performance indicators

Good Energy measures its progress against a number of key performance indicators (KPIs) that align with our business.

- Revenue £180.1m (2023: £254.7m). Revenues are directly linked to externally driven commodity costs. In 2024 both revenue and costs of sales reduced replicating the reductions in wholesale costs seen since the 2022/2023 peaks, however reported gross profit only decreased 1% to £44.0m (2023 : £44.2m), whilst gross margin increased to 24.4% (2023 : 17.4%).
- Reported profit before tax £6.6m (2023: £5.7m), an increase of 16% on prior year.
- Cash and cash equivalents £28.6m (2023: £41.3m) reflecting £5m inflows from operational activities, offset by £(18)m of cash outflows primarily related to investment activities associated with the purchase of three new service installation businesses during 2024.
- Trustpilot rating 4.8 (2023: 4.8).
- Which? Eco provider status maintained.
- Employee engagement rated World Class by Best Companies maintained.

Section 172 – our stakeholders

	Employees	Customers
Effective engagement	The contribution of our people is critical to the success of the business. In 2024, the Good Energy team grew significantly and now includes over 400 people across Good Energy and the solar installation companies acquired by the Group. In 2024, we retained our World Class Employer ranking from Best Companies for the 3rd year, with 90% of employees saying they would recommend Good Energy as a place to work.	We exist for our customers and have found that many of them want to hear about how we can support them to have a positive environmental impact. We also use their feedback when developing new products and propositions.
How we engage	Monthly Team Brief with Q&A 'Good to shout' quarterly awards Bi-annual performance reviews Employee engagement surveys (Best Companies and internal pulse) Culture and Inclusion champions	Good Thinking monthly newsletter Requesting reviews on Trustpilot and Trust A Trader Asking customers to share their experiences through videos/blogs for case studies
Key initiatives 2024	Services referral scheme enabling employees to advocate solar and heat installs to friends, family and neighbours. Developing our inclusion policies, educating employees on combatting unconscious bias. Lead sponsor of Chippenham's LGBTQ+ Pride festival. Creating a welcoming and transparent culture to new teams (following acquisitions). Our Good Career Programme introduced two employee-led initiatives in 2024: – Good Giving – pilot for matching charity fundraising. – Good to Shout – reward and recognition of colleagues for their work. Following the acquisition of the Company by Esyasoft, our engagement with employees is unchanged.	Streamlined digital services for our business customers by migrating accounts to Kraken. Accredited for accessibility by the Shaw Trust, ensuring customers with different access needs can use our online services to manage their energy. Tariff enhancements for EV drivers and solar export to give customers the best prices. Partnership with Ripple Energy offering customers the option to own their portion of large-scale wind or solar projects. Following our drive for Trustpilot reviews over the last couple of years, a 5 star rating has been maintained. Partnership with Gryd Energy in an export only power purchase agreement (PPA) that is the first of its kind for households in the UK.

Statement of our commitments under Section 172 of the Companies Act 2006

The following section has detailed how we engage with all our stakeholders. This is in accordance with our commitments under Section 172 of the Companies Act 2006.

	Shareholders and bondholders	Suppliers
Effective engagement	During the financial year ended 31 December 2024, our shareholders provided capital for the Company and effective engagement was critical, including having access to the Board and management team regularly. Bi-annual communications are provided to bondholders with their interest payments as well as a dedicated mailbox for queries.	Our tailored approach to engaging with our suppliers means that leaders of different functions are responsible for the providers within their area of expertise. Our Procurement Policy and Good Procurement Guide set out principles to make sure the Company's money is spent wisely and ethically.
How we engage	Online presentations with Q&A providing the opportunity for participants to submit questions to the Board Ad hoc newsletters Regulatory and 'reach' news announcements Presenting at investor events	Our Procurement Function provides centralised support to make sure all our functional leaders have a consistent approach when dealing with providers. In 2024 focus has been on the integration of our new Energy Services subsidiaries.
Key initiatives 2024	Increase in presenting at investor events including Mello Events, Shares Magazine and UK Investor Magazine to inform potential investors of the strategy and diversify the shareholder base. We ensured transparency with shareholders while the Company remained publicly listed through to April 2025, to enable them to make effective investment decisions. Specific engagement included regulatory announcements and outreach to all shareholders to encourage and remind them to vote on the acquisition.	Good Energy's transition to providing energy services means we are engaging with a different supply chain with geographic coverage, delivery issues and risk profile. Supply chain due diligence is increasingly important and as we grow in scale the scope to leverage economies of scale with suppliers will increase. As the Company now has multiple installation teams, a fleet strategy is being developed and will continue to be a focus in 2025. With the acquisitions of JPS, Amelio and Empower, we will place greater emphasis on the Solar PV supply chain and the need to deliver a more integrated group procurement approach.

Section 172 – our stakeholders continued

	Policy makers/ Regulators	Local community
Effective engagement	The Company maintains a constructive dialogue with policymakers on matters relevant to its current operations, long-term strategy and purpose. In 2024, a new Labour government entered power, with a strong commitment to delivering a clean power energy system by 2030.	The Company is based in Chippenham, Wiltshire and works with the local community throughout the year. The Company also runs the Good Future Board to gain insights from the next generation.
How we engage	Regular engagement via industry consultations and forums with stakeholders including Ofgem, the Department for Energy Security and Net Zero and wider code administrators. Continue to advocate for our purpose as the energy sector transforms and transitions. Through public consultations and industry forums.	Sponsorship of Chippenham Pride demonstrating our commitment to inclusion. Sponsorship of Chippenham Half Marathon, which raises thousands for local charities and is recognised for its green policies.
Key initiatives 2024	Enabling Feed-in-Tariff (FIT) generators to register for REGOs: allowing for more small-scale renewable generators to receive recognition and value for the renewable power they produce. Green electricity reform: building on the launch of 24/7 energy matching, we continued to engage with policymakers and wider stakeholders including a working group run by Climate Group to design a global standard for 24/7 matching with RE100 organisations. Low carbon heat: 2024 marked a significant year of progress in the transition to low carbon heating. Good Energy strongly welcomes reforms to the planning system, which will remove barriers for the installation of heat pumps. Following the acquisition of the Company by Esyasoft, our engagement with policymakers and regulators is unchanged.	In addition to sponsorship, some of our employees volunteered at Chippenham Pride. One of the Good Future Board members undertook an internship during the summer as well as speaking at the B Corp festival. More details on B Corp can be found on pages 4-5.

Principal risks

Good Energy's risk management framework is designed to support its strategic objectives while ensuring resilience against evolving risks. The Board holds ultimate responsibility for overseeing the Group's risk management ensuring that the risk management framework evolves in line with its business model and growth strategy.

Summary of principal risks

The principal risks facing Good Energy and the steps taken to mitigate them are outlined in the table below.

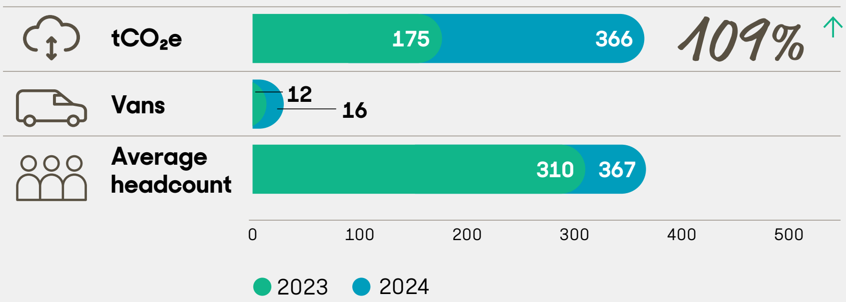
Risk	Description	Mitigation
Regulatory and political	Substantial changes in regulations or regulatory expectations or political shifts could affect operations and financial performance.	Active monitoring of regulatory changes, participation in industry consultations and strategic planning to adapt to new regulations. Material investment in operational and compliance costs.
Financial performance of acquired businesses	New acquisitions may not meet profitability targets due to execution risks or market conditions.	Performance reviews, close monitoring by sub-Boards, and Executive Director oversight.
Energy market volatility	Fluctuations in wholesale energy markets could impact financial performance.	Energy hedging strategies, counterparty risk management, and value-at-risk constraints.
Supply chain	Disruptions in supply chains, or non-compliance with ethical standards, could affect service delivery and reputation	Continuous supplier engagement, market monitoring, and alignment with ethical and sustainability commitments.
Health and safety	Expanded service offerings, such as installations, introduce increased health and safety risks for staff and customers.	Rigorous health and safety processes, clear reporting lines, third-party assessments, and oversight by the Board.
Cybersecurity	Risk of a cyber-attack disrupting operations or resulting in loss of customer data.	Regular updates to cybersecurity protocols, use of industry-standard tools, and continuous monitoring of IT infrastructure.
Climate and sustainability	Risk of not meeting brand promise as a 100% renewable supplier, impacting reputation and trust.	Management of PPAs, external audits, and clear communication with stakeholders to ensure renewable commitments are met.

The strategic report has been authorised for issue by the board of directors and signed on behalf of the directors by Nigel Pocklington on 28 April 2025.

2024 carbon emissions summary

2024 was another year of expansion through several acquisitions for Good Energy, resulting in an increase in our annual carbon emissions. Our emissions reduction strategy is evolving to measure and reduce emissions across all functions that are now part of Good Energy Group.

Annual comparison[1]



In 2024, we included the following new emissions sources, contributing to the significant increase from 2023.

- Zap Map Investment
- Hotel Stays
- Well to Tank Emissions from passenger vehicles, fleet vehicles and fuels
- Sold energy to customers (the biggest contributor to the increase)
- IT equipment

Sustainability strategy 2024

In 2024, we committed to strengthening the governance of our sustainability strategy and raising stakeholder understanding of our emissions and targets. These goals came about following the introduction of a vehicle fleet in 2022, which caused a 71% increase to our emissions for 2023.

The 2024 sustainability targets in the table below were set using projections for how much our workforce would grow as we took on board more installation teams. These figures are critical since every installation team member is assigned a van, which greatly influences the trajectory of our emissions.

In 2024, Good Energy installed a heat pump at our offices, reducing scope 1 location based emissions to zero from July onwards.

Sustainability objectives: 2024

Threshold	Stretch
Emissions ≤310 tCO_2e	Emissions ≤305 tCO_2e
Carbon monitoring plan for Good Energy Solar South West (formerly Wessex ECO Energy)	Develop an EV fleet strategy
Set baseline for new intensity metric	Encourage switching employees to Good Energy supply (30 employee switches = 1 tonne of carbon saved)
	Reduce commuting by car (estimated reduction of 2.5 tonnes if 30 employees car shared)

Our carbon intensity metric

By measuring the carbon avoided by installing heat pumps in customer properties against our absolute emissions, we succeeded in establishing a baseline for carbon intensity.

Heat pumps installed

103

Carbon emitted by installation activities

116 tCO_2e

Carbon avoided by replacing fossil fuel fired heating with heat pumps

247 tCO_2e*

1. Generation of Purchased Energy Sold to End Users has been included in the 2024 inventory for the first time, but removed from targets set to allow a like for like comparison with previous years. This explains the increase in scope 3 emissions for 2024 in comparison to 2023.

* Saving over 12 months. Over the average 15 year lifespan of a heat pump, that would add up to 3708tCO_2e of carbon avoided.

We calculate our emissions using the Greenhouse Gas Protocol Standard, separating them into Scope 1 (emissions from gas and refrigerants), Scope 2 (emissions from electricity consumption) and Scope 3 (emissions from indirect activities including travel and our supply chain). Our inventory is externally verified in accordance with the ISO 14064 standard, which is the international standard for carbon inventory verification. The value of each emissions category is given in the 'value' column. The evidence is given in the 'source' column. We have used emission factors from DEFRA to transfer the values of emission sources to the same unit of tonnes of carbon dioxide emissions (tCO_2e).

Good Energy Emissions Inventory 2023 - 2024

Category	Unit	Value	Source	tCO_2e Loc.Based (excl. from total)	tCO_2e Market Based
2024 SCOPE 1: DIRECT EMISSIONS					
Bioenergy, Green Gas	kWh	87,964.33	Meter Readings	16.09	0.02
Refrigerants (R-410 A)	kg	0.09	DEFRA guidance on FGAS		0.10
Fleet mileage	miles	210,901.38	Vehicle Tracking System		84.94
2024 Total Scope 1	tCO_2e			**16.09**	**85.06**
2024 SCOPE 2: INDIRECT EMISSIONS					
Electricity UK (Green)	kWh	195,949.33	Meter Readings	40.57	0.00
2024 Total Scope 2	tCO_2e			**40.57**	**0.00**
2023 SCOPE 1: DIRECT EMISSIONS					
Bioenergy, Green Gas	kWh	231,352.33	Meter Readings	41.64	0.051
Refrigerants (R-410 A)	kg	0.09	DEFRA guidance on FGAS		0.173
Fleet mileage	miles	146,709.27	Vehicle Tracking System		54.611
2023 Total Scope 1	tCO_2e			**41.64**	**54.84**
2023 SCOPE 2: INDIRECT EMISSIONS					
Electricity UK (Green)	kWh	255,915.87	Meter Readings	52.99	0.00
2023 Total Scope 2	tCO_2e			**52.99**	**0.00**
2023 TOTAL SCOPE 1 & 2				**94.64**	**54.84**
2024 SCOPE 3					
Investments					1.30
Business Travel					17.05
Well to Tank (WTT) – Passenger Vehicles					36.61
Well to Tank (WTT) – Delivery Vehicles and Freight					20.80
Well to Tank (WTT) – Fuels					4.05
Employee Commuting					163.65
Employee Commuting and Homeworking: Heating					15.59
Employee Commuting and Homeworking: Electricity Consumption					5.01
Waste Generated in Operations: Office and Site Waste					0.17
Purchased Goods and Services					12.64
Generation of Purchased Energy Sold to End Users[1]					68,078.18
Waste Generated in Operations: Electricity Losses					4.45
Waste Generated in Operations: Water Supply and Treatment					0.27
2024 Total Scope 3	tCO_2e				**68,359.76**
2024 Total Annual Emissions	tCO_2e			**56.66**	**68,444.82**
2023 Total Scope 3	tCO_2e			**1.70**	**120.90**
2023 Total Annual Emissions	tCO_2e			**96.34**	**175.74**

Directors' report

Future developments

Future developments are detailed within the operational review on page 6-7.

Post balance sheet events

Please see note 32.

Directors

The directors who served during the year were:

- Francoise Woodward
- Rupert Sanderson
- Nigel Pocklington
- William Whitehorn (resigned 9th April 2025)
- Emma Tinker (resigned 9th April 2025)
- Nemone Wynn-Evans (resigned 9th April 2025)
- Tim Jones (resigned 9th April 2025)

Results and dividends

The profit for the year, after taxation, amounted to £4,744,818 (2023: £2,875,071).

For information about dividends paid during the year see Note 26.

Due to the change of control of Good Energy Group PLC, the company will not be declaring a dividend.

Stakeholder engagement

Engagement with all stakeholder groups is discussed in the s172 statement on pages 8-10.

Reasonable adjustments are made during the hiring process and to working practices to accommodate the needs of people who are disabled or become disabled during employment with Good Energy.

Political and Charitable Donations

No political donations were made in the year. No material charitable donations were made during the year.

Financial instruments

The Group's financial instruments include bank loans and other borrowings, a corporate bond and undrawn overdraft facility.

The principal objective of these instruments is to raise funds for general corporate purposes and to manage financial risk. Further details of these instruments are given in note 3 in the Financial Statements.

Going concern

The financial statements have been prepared on the going concern basis as the Directors have assessed that there is a reasonable expectation that the Group will be able to continue in operation and meet its commitments as they fall due over the going concern period. The going concern assessment covers a period of at least 12 months from the date of approval of the financial statements.

The Group has had a strong financial performance in 2024 during a period of normalised trading and stability and has continued its strategic growth into energy services.

The unrestricted cash balance at the end of 2024 stood at £28.6m, giving the business a strong and stable base to deliver on business commitments and to deliver its strategic objectives.

Looking to the future, the Group has performed a going concern review, going out until the end of 2026, considering both a base case, and various externally provided scenarios. The scenarios were provided by Ofgem in Autumn 2024 as part of their review into the financial stability of UK energy suppliers. The Directors consider the scenario assumptions and sensitivities provided by Ofgem to be appropriate for use in the going concern assessment. Having reviewed this forecast, the business can demonstrate that it can meet all tested scenarios with sufficient cash reserves in place to support further unexpected challenges.

The scenarios are price-based impacts reflecting the volatility in the wholesale and supply market seen over the past couple of years. All scenarios include existing hedge positions for Good Energy (Oct 24). All scenarios assume domestic customer churn continues at moderate levels as seen in the supply industry over the past year. This level of churn is expected to remain until wholesale prices stabilise and suppliers feel confident in pricing below the current prices set by Ofgem. The scenarios assume no Government support schemes in place. The scenarios are:

Scenario 1 – Central Price

Scenario 2 – Low Price

Scenario 3 – High Price

Scenario 4 – Supplier Base Case

From a tariff perspective all scenarios reflect the movement in default/deemed price capped tariffs directly linked to wholesale cost developments. These deemed and default price movements were provided by Ofgem to ensure these key assumptions mirrored the wholesale cost scenarios. As Good Energy has derogation from the price cap, it is allowed to change the level of its SVT tariff to reflect the true cost of supplying renewable energy. This derogation allows Good Energy to change price sooner than changes to default/deemed tariff changes, allowing us to match more effectively between cash in and cash out of the business.

In all scenarios cashflow remains sufficient to meet all commitments as they fall due without additional mitigations being implemented or a need for additional funding sources to be found. Further to this, in all scenarios the business could deliver additional mitigations which could include discretionary cost reductions, additional price increases as well as working capital optimisation to further strengthen the cash position to cover unexpected shocks.

All scenarios reflect the continued repayment of £4m of bond debts based on a prudent forecast of annual redemption requests. Excluding bond debts, the business has no other material (£1m+) debt obligations. The business has also taken a prudent approach to customer credit balances with significant reductions forecast over 2025/26 before holding the remaining balance stable. The business holds a cash balance in all scenarios that allows full repayment of both bond and customer credit balances, whilst still maintaining sufficient cash for operation of the day to day business over the next year.

The services entities are supported through loans from the parent company. The loan facilities will continue to be available for at least 12 months from the date of signing these financial statements and the parent company will continue to support the services businesses. The Directors believe that any foreseeable debts can be met for at least 12 months from the date of signing these financial statements. Accordingly, the services entities continue to adopt the going concern basis in preparing their financial statements.

The acquisition of the Good Energy Group as disclosed in note 32 will not impact the going concern assessment prepared by the Directors which continues to be on a standalone basis.

Therefore, the Directors are confident in the ongoing stability of the Group, and its ability to continue in operation and meet its commitments as they fall due over the going concern period. Accordingly, the Directors adopt the going concern basis in preparing the financial statements.

Directors' responsibility statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK adopted International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRIC) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. 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 Group and parent company and of the profit or loss of the Group and parent company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

State whether applicable UK adopted International Financial Reporting Standards (IFRS) in conformity with the requirements of the Companies Act 2006 have been followed for the Group financial statements and IFRSs have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;

- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent company. These records must also enable them to ensure that the financial statements comply with the Companies Act 2006, and, as regards the Group financial statements, Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of the Directors' knowledge:

(a) the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the undertakings included in the consolidation taken as a whole; and

(b) the management report includes a fair review of the development and performance of the business and the position of the group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

The parent company, Good Energy Group PLC, also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Disclosure of information to auditor

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

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

The directors' report has been authorised for issue by the board of directors and signed on behalf of the directors by Nigel Pocklington on 28 April 2025.

Independent auditors' report

to the members of Good Energy Group Plc

Opinion

We have audited the financial statements of Good Energy Group Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Parent Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Parent Company Statement of Changes in Equity, Consolidated Statement of Cash Flows, Parent Company Statement of Cash Flows and notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our audit procedures to evaluate the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern;
- Obtaining an understanding of the relevant controls relating to the directors' going concern assessment;
- Evaluating the directors' method to assess the group's and the parent company's ability to continue as a going concern;
- Obtaining and reviewing the directors' going concern assessment, which incorporated severe but plausible scenarios, based on OFGEM stress testing and as submitted to and reviewed by OFGEM;
- Evaluating the key assumptions used and judgements applied by the directors in forming their conclusions on going concern, including hedging position, derogation from the OFGEM price cap; forecasted gas and electricity prices; level of bank support available and likely future repayment rates of the bond in the going concern assessment period;
- Reviewing the appropriateness of the directors' disclosures in the financial statements which details the results of the OFGEM stress testing; and
- Consideration of the subsequent events in relation to the change in ownership

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our scope addressed this matter
Revenue recognition, specifically the estimated unbilled income The group's accounting policy in respect of revenue recognition is set out in the accounting policy note 2.4. The group's primary revenue streams relate to the provision of gas and electricity supply, of which a significant proportion is unbilled revenue at the year-end based on an estimation of the amount of unbilled charges at the year end, being £14.3m in 2024 compared to £22.6m in 2023. The unbilled income is calculated using system-generated information based on industry expected usage per property, customer tariffs and seasonality variations. The approach and methodology remains largely consistent with the prior year. For commercial customers the amounts are calculated using industry accepted norms from the software provider with no management over-ride or assumptions included. For domestic customers there is an internally developed IT report which calculates the unbilled income. This is calculated based on management assumptions around seasonality and, where information is not available for a small number of customers, estimates of the tariff and usages. Due to the unbilled income being an estimation there is a high risk of management bias.	**Our response** Our procedures over revenue recognition in particular around the cut-off and unbilled income, included, but were not limited to: – Obtaining an understanding of the processes and controls over the recognition of revenue and performing walkthrough procedures to validate that controls were appropriately designed and implemented; – Performing IT general and application controls work around both the commercial and domestic billing systems; – Assessing whether an appropriate amount of revenue is being recognised in the correct period by recalculating for a sample of customers, across both domestic and commercial, the unbilled income based on the last billed date and expected usage up until the year-end. – Assessing whether the tariff inputs used in the unbilled income and revenue calculations are correct. – Comparing a sample of unbilled income balances to bills raised post year-end where there were actual meter reads to assess the accuracy of the estimated usage and revenue recognised; – Where meter reads are not available post year-end, we agreed to the latest estimated annual consumption (EAC) as provided by the industry and challenged any unusual differences after having taken into consideration the weather co-efficient assumptions applied by management. **Our observations** Based on our work, no material issues were identified in respect of the unbilled income calculated at the year end.

Independent auditors' report

to the members of Good Energy Group Plc

Key Audit Matter	How our scope addressed this matter
Expected credit loss (ECL) on trade and unbilled receivables from customers The group's accounting policy in respect of ECL on trade and unbilled receivables is set out in the accounting policy note 2.11.1, as well as in the financial and capital risk management note 3.1.3. The critical accounting judgments and estimates relating to ECL are discussed in note 4.2.2. There is an ECL provision of £16.6m (2023: £18.9m) at the year-end against gross trade and unbilled receivables from customers of £39.1m (2023: £49.2m) as disclosed in trade and other receivables note 19. The simplified approach to ECL under IFRS 9 was applied using a provision matrix to calculate ECL for trade receivables and unbilled revenue. Management's judgement is used to determine the future likely recovery rates based on days past due for groupings of various customer segments that have similar loss patterns and the group's historic observed default rates, calibrated to adjust the historic credit loss experience with forward-looking information. It is possible that outcomes in the next financial year that are different to the assumption used could require a material adjustment to the carrying value of trade and unbilled receivables. There is a risk that the assumptions used by management in calculating the ECL provision may be susceptible to management bias and the valuation of ECL amounts against trade receivables and unbilled income may be misstated.	**Our response** Our response over ECL included, but was not limited to: – Obtaining management's calculation of the ECL provision and testing the mathematical accuracy of the provisioning method as well as testing the accuracy of the analysis of debt collection rates being used to assess if they were appropriate. – Testing the ageing of trade debtors. – Reviewing and challenging the key assumptions used by management around collection rates, segmentation and the appropriateness of overlays within the ECL model to take into account the economic outlook for 2025 and other factors. – Performing sensitivity analysis on the impact of changes to the assumptions made on the ECL provision. – Performing analysis of the year-end debt balance collection rates to determine if there have been any unexpected movements post year-end that are not in line with the provision rates used. **Our observations** Based on our work, no material issues were identified in respect of the ECL provision recognised at the year end.
Impairment consideration around the Zapmap associate investment valuation The accounting treatment and fair value considerations of the Zapmap associate are disclosed in accounting policy 2.9. and critical accounting judgements and estimates note 4.2.4. The carrying amount of Zapmap as an associate within the consolidated financial statements is £8.9m, being the opening balance of £10.6m less Good Energy's £1.7m share of losses for the year, held within equity investments in associate note 17. Given the investment is in a company with significant growth projections, there is a risk that the investment is impaired due to changes in Zapmap's performance and the general economic/political environment.	**Our response** Our response over the impairment risk included, but was not limited to: – Performing specified procedures over the share of loss recognised by the group in the year; – Obtaining a valuation report from management's expert and engaging Forvis Mazars internal valuations team to perform procedures, including sensitivity analysis, over the report including the underlying methodology and assumptions used; – Considering whether Zapmap have met their commercial objectives for their year; – Reviewing the disclosure in the financial statements with respect to the investment in associate. **Our observations** Based on our work, the assertion of management that there is no indication of a material impairment at the year end date is acceptable.
Impairment consideration in relation to the goodwill and other intangible assets The accounting policy in relation to goodwill and intangible assets is disclosed in accounting policy 2.7 and critical accounting judgements and estimates note 4.2.3. The value of goodwill and intangible assets within the consolidated financial statements is £19.8m and £2.9m respectively as disclosed in intangible assets note 15. Goodwill and other intangible assets predominantly relate to the Good Energy Service entities falling within the heat pump and solar cash generating units (CGUs). Given the current performance, there is a risk that the balances relating to the heat pump and solar CGUs are impaired.	**Our response** Our response over the impairment risk included, but was not limited to: – Challenging management on the appropriateness of the CGU identification and the appropriateness of carrying value of the CGU's at the year end; – Considering whether the subsequent events in relation to the acquisition of the group provides evidence to support the carrying values of the CGU's under a fair value less cost to sell basis. – Reviewing the disclosure in the financial statements with respect to the impairment exercise performed. **Our observations** Based on our work, the assertion of management that there is no indication of a material impairment at the year end date is acceptable.

Independent auditors' report

to the members of Good Energy Group Plc

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group materiality

Overall materiality	£1.8m (2023: £2.5m)
How we determined it	1% of revenue
Rationale for benchmark applied	In our view, the above measure is the most relevant measure of the underlying performance of the company as earnings have remained volatile and margin low and therefore, revenue has been selected as the materiality benchmark. This is in line with the prior year.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £1.1m (2023: £1.5m) which represents 60% of overall materiality. This was set based on risk assessment and our past experience on the audit in relation to factors such as the size and number of misstatements noted.
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above £0.05m (2023: £0.07m) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Parent company materiality

Overall materiality	£0.4m (2023: £0.3m)
How we determined it	2% of net assets
Rationale for benchmark applied	Net assets is deemed the most appropriate measure given the parent company is an investment holding company with no revenue.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £0.2m (2023: £0.2m) which represents 60% of overall materiality. This was set based on risk assessment and our past experience on the audit in relation to factors such as the size and number of misstatements noted
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above £0.01m (2023: £0.01m) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Independent auditors' report

to the members of Good Energy Group Plc

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the group and the parent company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included an audit of the group and the parent company financial statements. Based on our risk assessment, Good Energy Limited, Good Energy Gas Limited and the parent company, were subject to full scope audit by the group audit team.

The remaining subsidiary and associate entities were subject to specified audit procedures carried out by the group audit team.

At the parent company level, the group audit team also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

to the members of Good Energy Group Plc

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with Ofgem regulations.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company are in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to provision for expected credit losses, impairment considerations around associate investment, goodwill and intangible assets, revenue recognition (which we pinpointed to the valuation of unbilled income), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the parent 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 parent company's members those matters we are required to state to them in an auditor's 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 parent company and the parent company's members as a body for our audit work, for this report, or for the opinions we have formed.

JONATHAN BARNARD (SENIOR STATUTORY AUDITOR)
for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor

90 Victoria Street

Bristol

BS1 6DP

28 April 2025

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	Note	**2024 £000s**	2023 Restated £000s
Revenue	5	**180,068**	254,703
Cost of sales		**(136,058)**	(210,458)
Gross profit		**44,010**	44,245
Administrative expenses	6	**(39,638)**	(33,838)
Reversal of Expected Credit Losses (ECL) on financial and contract assets/(ECL charge)	6	**2,265**	(3,444)
Other operating income		**265**	171
Operating profit		**6,902**	7,134
Finance income	9	**1,721**	897
Finance costs	10	**(355)**	(321)
Share of loss of associate	17	**(1,678)**	(2,027)
Profit before tax		**6,590**	5,683
Taxation charge	11	**(1,846)**	(2,807)
Profit for the year		**4,744**	2,876
Profit and total comprehensive income for the year attributable to owners of the parent company		**4,744**	**2,876**
Earnings per share:			
Basic	12	**25.9p**	17.1p
Diluted	**12**	**25.1p**	**17.0p**

The notes on pages 30 to 70 form part of these financial statements.

Consolidated Statement of Financial Position

As at 31 December 2024

Good Energy Group plc
Company registered no: 04000623

	Note	**2024 £000s**	2023 £000s
Non-current assets			
Property, plant and equipment	13	**1,101**	180
Right of use assets	14	**1,684**	1,227
Intangible assets	15	**22,744**	5,694
Deferred tax asset	22	**–**	131
Equity investments in associate	17	**8,873**	10,551
Total non-current assets		**34,402**	17,783
Current assets			
Inventories	18	**14,381**	11,026
Trade and other receivables	19	**29,666**	35,858
Restricted deposit accounts		**7,605**	5,912
Cash at bank and in hand	20	**28,621**	41,346
Total current assets		**80,277**	94,142
TOTAL ASSETS		**114,679**	111,925
Equity and liabilities			
Capital and reserves			
Called up share capital	21	**926**	845
Share premium account	21	**17,038**	12,975
Retained earnings		**32,782**	28,185
Total equity		**50,746**	42,005
Non-current liabilities			
Deferred tax liability	22	**460**	–
Borrowings and other financial liabilities	23	**5,361**	5,687
Total non-current liabilities		**5,821**	5,687
Current liabilities			
Borrowings and other financial liabilities	23	**560**	531
Trade and other payables	25	**57,552**	63,702
Total current liabilities		**58,112**	64,233
TOTAL LIABILITIES		**63,933**	69,920
TOTAL EQUITY AND LIABILITIES		**114,679**	**111,925**

The financial statements on pages 23 to 29 were approved by the Board of Directors on 28 April 2025 and signed on its behalf by:

NIGEL POCKLINGTON
Chief Executive

Monday 28 April 2025

The notes on pages 30 to 70 form part of these financial statements.

Parent Company Statement of Financial Position

As at 31 December 2024

Good Energy Group plc
Company registration no: 04000623

	Note	2024 £000s	2023 £000s
Non-current assets			
Deferred taxation		**460**	306
Shares in group undertakings	16	**35,132**	12,814
Total non-current assets		**35,592**	13,120
Current assets			
Trade and other receivables	19	**13,977**	6,423
Cash at bank and in hand	20	**765**	1,373
Total current assets		**14,742**	7,796
TOTAL ASSETS		**50,334**	20,916
Equity and liabilities			
Capital and reserves			
Share capital	21	**926**	845
Share premium account	21	**17,038**	12,975
Retained earnings		**1,073**	824
Total equity		**19,038**	14,644
Non-current liabilities			
Borrowings	23	**4,125**	4,726
Total non-current liabilities		**4,125**	4,726
Current liabilities			
Borrowings and other financial liabilities	23	**186**	215
Trade and other payables	25	**26,985**	1,331
Total current liabilities		**27,171**	1,546
Total liabilities		**31,296**	6,272
TOTAL EQUITY AND LIABILITIES		**50,334**	20,916

The Parent Company's profit for the financial year was £397,000 (2023: £222,000).

The financial statements on pages 23 to 29 were approved by the Board of Directors on 28 April 2025 and signed on its behalf by:

NIGEL POCKLINGTON
Chief Executive

Monday 28 April 2025

The notes on pages 30 to 70 form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Note	Share capital £000s	Share premium £000s	EBT shares £000s	Retained earnings £000s	Total equity £000s
At 1 January 2023		844	12,915	(7)	25,234	38,986
Profit for the year					2,876	2,876
Total comprehensive income for the year		–	–	–	2,876	2,876
Share based payment	28	–	–	–	341	341
Deferred tax movement charged to equity	22	–	–	–	239	239
Dividend paid	26	–	–	–	(444)	(444)
Scrip dividends issued	21	1	60	–	(61)	–
Exercise of options	21	–	–	7	–	7
Total contributions by and distributions to owners of the parent, recognised directly in equity		1	60	7	75	143
At 31 December 2023		845	12,975	–	28,185	42,005

	Note	**Share capital £000s**	**Share premium £000s**	**EBT shares £000s**	**Retained earnings £000s**	**Total equity £000s**
At 1 January 2024		**845**	**12,975**	**–**	**28,185**	**42,005**
Profit for the year					**4,744**	**4,744**
Total comprehensive income for the year		**–**	**–**	**–**	**4,744**	**4,744**
Share based payment	28	**–**	**–**	**–**	**468**	**468**
Shares issued on acquisition of subsidiaries	21	**79**	**3,976**	**–**		**4,055**
Dividend paid	26	**–**	**–**	**–**	**(546)**	**(546)**
Scrip dividends issued	21	**1**	**68**	**–**	**(69)**	**–**
Exercise of options	21	**1**	**19**	**–**	**–**	**20**
Total contributions by and distributions to owners of the parent, recognised directly in equity		**81**	**4,063**	**–**	**(147)**	**3,997**
At 31 December 2024		**926**	**17,038**	**–**	**32,782**	**50,746**

The notes on pages 30 to 70 form part of these financial statements.

Parent Company Statement of Changes in Equity

For the year ended 31 December 2024

	Note	Share capital £000s	Share premium account £000s	EBT shares £000s	Retained earnings £000s	Total equity £000s
At 1 January 2023		844	12,915	(7)	527	14,279
Profit for the year		–	–	–	222	222
Share based payment	28	–	–	–	341	341
Exercise of options	21	–	–	7	–	7
Deferred tax movement charged to equity	22	–	–	–	239	239
Scrip dividends issued	21	1	60	–	(61)	–
Dividend paid	26	–	–	–	(444)	(444)
Total contributions by and distributions to owners of the parent, recognised directly in equity		1	60	7	75	143
At 31 December 2023		845	12,975	–	824	14,644

	Note	**Share capital £000s**	**Share premium account £000s**	**EBT shares £000s**	**Retained earnings £000s**	**Total equity £000s**
At 1 January 2024		**845**	**12,975**	**–**	**824**	**14,644**
Profit for the year		**–**	**–**	**–**	**397**	**397**
Share based payment	28	**–**	**–**	**–**	**468**	**468**
Exercise of options	21	**1**	**19**	**–**	**–**	**20**
Shares issued on acquisition of subsidiaries	21	**79**	**3,976**	**–**	**–**	**4,055**
Scrip dividends issued	21	**1**	**68**	**–**	**(69)**	**–**
Dividend paid	26				**(546)**	**(546)**
Total contributions by and distributions to owners of the parent, recognised directly in equity		**81**	**4,063**	**–**	**(147)**	**3,997**
At 31 December 2024		**926**	**17,038**	**–**	**1,074**	**19,038**

The notes on pages 30 to 70 form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Note	**2024 £000s**	2024 £000s
Cash flows from operating activities			
Cash generated from operations	27	**8,253**	20,634
Finance income received		**1,100**	434
Finance costs paid		**(730)**	(189)
Corporation tax paid		**(3,334)**	(550)
Net cash flows generated from operating activities		**5,289**	20,329
Cash flows from investing activities			
Purchase of property, plant and equipment	13	**(478)**	(168)
Purchase of intangible fixed assets	15	**(378)**	(12)
Acquisition of subsidiaries, net of cash held in the subsidiaries		**(15,611)**	(2,204)
Net cash flows used in investing activitiees		**(16,467)**	(2,384)
Cash flows from financing activities			
Payment of dividends	26	**(546)**	(444)
Repayment of borrowings	24	**(617)**	(180)
Proceeds from borrowings		**–**	134
Capital repayment of leases	14, 24	**(384)**	(646)
Proceeds from EBT shares		**–**	50
Net cash flow generated used in financing activities		**(1,547)**	(1,086)
Net increase in cash and cash equivalents		**(12,725)**	16,859
Cash and cash equivalents at beginning of year		**41,346**	24,487
Cash and cash equivalents at end of year		**28,621**	41,346

The notes on pages 30 to 70 form part of these financial statements.

Parent Company Statement of Cash Flows

For the year ended 31 December 2024

	Note	2024 £000s	2023 £000s
Cash flows from operating activities			
Cash generated from operations	27	**19,512**	496
Finance income received		**–**	15
Finance costs paid		**(612)**	(170)
Net cash flows generated from operating activities		**18,900**	341
Cash flows from investing activities			
Investment in subsidiaries	16	**(18,728)**	(2,554)
Net cash flows used in investing activities		**(18,728)**	(2,554)
Cash flows from financing activities			
Proceeds from exercise of share options		**–**	50
Payment of dividends		**(546)**	(444)
Repayment of borrowings		**(234)**	(41)
Net cash used in financing activities		**(780)**	(435)
Net decrease in cash and cash equivalents		**(608)**	(2,648)
Cash and cash equivalents at beginning of year		**1,373**	4,021
Cash and cash equivalents at end of year		**765**	1,373

The notes on pages 30 to 70 form part of these financial statements.

Notes to the Financial Statements

1. General Information

Good Energy Group ("the Company") is a private limited company incorporated in England and Wales under the Companies Act 2006 and is domiciled in the United Kingdom. The registered office is located at Good Energy, Monkton Park Offices, Monkton Park, Chippenham, Wiltshire, United Kingdom, SN15 1GH.

The ultimate parent undertaking and ultimate controlling party of the Group is Royal Group Holding LLC.

The principal activities of Good Energy Group are those of a holding and management company to the Group.

The principal activities of its subsidiaries include the purchase and sale of electricity from renewable sources, as well as the sale of gas and services relating to micro-renewable generation, solar and heat pump installation services and the sale of EV market data services.

The purpose of the Annual Report and Financial Statements is to provide information to members of the Company and its subsidiaries (together "the Group").

These financial statements are presented in pounds sterling, which is the functional currency and presentational currency of the Group, as this is the currency of the primary environment in which the Group operates. All values are rounded to the nearest thousand (£000), except where otherwise indicated.

The principal accounting policies applied in the preparation of the Consolidated and Company financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 April 2025. The directors have the power to amend and reissue the financial statements.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with UK adopted International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRIC) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on a going concern basis and under the historical cost convention, or historic cost modified by revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS 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 financial year.

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 judgements, 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 note 4, and in the following accounting policy notes: revenue recognition (2.4), property, plant and equipment (2.5), leases (2.6), inventories (2.10) and credit risk (3.1.3).

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 profit or loss for the year (after taxation) is disclosed at the foot of the Parent Company Statement of Financial Position.

The accounting policies adopted, other than as documented above, are consistent with those of the annual financial statements for the year ended 31 December 2023, as described in those financial statements.

The restatement of prior year comparatives seen in the Consolidated Statement of Comprehensive Income relates to the £3,444k impairment loss on financial and contract assets. This was included within administrative expenses in the prior year and has been presented on a separate line in the Consolidated Statement of Comprehensive Income in the current year in line with IAS 1 Presentation of Financial Statements. The restatement had no impact on previously reported profits, earnings per share or net assets of the Group.

2. Summary of Significant Accounting Policies (continued)

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.3 Going Concern

The financial statements have been prepared on the going concern basis as the Directors have assessed that there is a reasonable expectation that the Group will be able to continue in operation and meet its commitments as they fall due over the going concern period. The going concern assessment covers a period of at least 12 months from the date of approval of the financial statements.

The Group has had a strong financial performance in 2024 during a period of normalised trading and stability and has continued its strategic growth into energy services.

The unrestricted cash balance at the end of 2024 stood at £28.6m, giving the business a strong and stable base to deliver on business commitments and to deliver its strategic objectives.

Looking to the future, the Group has performed a going concern review, going out until the end of 2026, considering both a base case, and various externally provided scenarios. The scenarios were provided by Ofgem in Autumn 2024 as part of their review into the financial stability of UK energy suppliers. The Directors consider the scenario assumptions and sensitivities provided by Ofgem to be appropriate for use in the going concern assessment. Having reviewed this forecast, the business can demonstrate that it can meet all tested scenarios with sufficient cash reserves in place to support further unexpected challenges.

The scenarios are price-based impacts reflecting the volatility in the wholesale and supply market seen over the past couple of years. All scenarios include existing hedge positions for Good Energy (Oct 24). All scenarios assume domestic customer churn continues at moderate levels as seen in the supply industry over the past year. This level of churn is expected to remain until wholesale prices stabilise and suppliers feel confident in pricing below the current prices set by Ofgem. The scenarios assume no Government support schemes in place. The scenarios are:

Scenario 1 - Central Price

Scenario 2 - Low Price

Scenario 3 - High Price

Scenario 4 - Supplier Base Case

From a tariff perspective all scenarios reflect the movement in default/deemed price capped tariffs directly linked to wholesale cost developments. These deemed and default price movements were provided by Ofgem to ensure these key assumptions mirrored the wholesale cost scenarios. As Good Energy has derogation from the price cap, it is allowed to change the level of its SVT tariff to reflect the true cost of supplying renewable energy. This derogation allows Good Energy to change price sooner than changes to default/deemed tariff changes, allowing us to match more effectively between cash in and cash out of the business.

In all scenarios cashflow remains sufficient to meet all commitments as they fall due without additional mitigations being implemented or a need for additional funding sources to be found. Further to this, in all scenarios the business could deliver additional mitigations which could include discretionary cost reductions, additional price increases as well as working capital optimisation to further strengthen the cash position to cover unexpected shocks.

All scenarios reflect the continued repayment of £4m of bond debts based on a prudent forecast of annual redemption requests. Excluding bond debts, the business has no other material (£1m+) debt obligations. The business has also taken a prudent approach to customer credit balances with significant reductions forecast over 2025/26 before holding the remaining balance stable. The business holds a cash balance in all scenarios that allows full repayment of both bond and customer credit balances, whilst still maintaining sufficient cash for operation of the day to day business over the next year.

The services entities are supported through loans from the parent company. The loan facilities will continue to be available for at least 12 months from the date of signing these financial statements and the parent company will continue to support the services businesses. The Directors believe that any foreseeable debts can be met for at least 12 months from the date of signing these financial statements. Accordingly, the services entities continue to adopt the going concern basis in preparing their financial statements.

The acquisition of the Good Energy Group as disclosed in note 32 will not impact the going concern assessment prepared by the Directors which continues to be on a standalone basis.

Therefore, the Directors are confident in the ongoing stability of the Group, and its ability to continue in operation and meet its commitments as they fall due over the going concern period. Accordingly, the Directors adopt the going concern basis in preparing the financial statements.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.4 Revenue recognition

The Group is in the business of providing supplies of electricity and gas, the generation of power, the sale of advertising space and EV market data, as well as Feed-in-Tariff (FiT) administration services. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the FiT administration services below, because it typically controls the goods or services before transferring to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 4.1.1.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract. The Group recognises contract liabilities when customers are in a credit position.

2.4.1 Power supply

Revenue for the supply of electricity is accrued based on industry data flows and National Grid data. Revenue calculated from energy sales includes an estimate of the quantity in units of electricity or gas supplied to customers by profile class in the 12 months preceding the end of the period, and an estimate of the average sales price per unit, and standing charge.

£0.3m of the total revenue figure is estimated, with a fixed transaction price and estimated unit consumption. The estimate is made using historical consumption patterns, industry estimated consumption rates, and takes into consideration industry reconciliation processes, upon which the Group takes a prudent position until final reconciliation data is available from the industry 14 months after the supply date.

Unbilled revenue is superseded when customer meter reads are received; at which point estimates are adjusted to actual usage. Transaction price is explicitly stated per unit and per day. Unbilled revenue is estimated using the most likely outcome approach.

For gas, revenue is accrued based on information received from the Group's gas shipper, Barrow Shipping Limited, which includes details of all the sites held, their estimated annual quantities of gas used adjusted by a pre-determined weather correction factor. This information is subsequently adjusted and invoiced based on customer and industry meter reads. Transaction price is explicitly stated per unit and per day.

Revenue is recognised over time as the electricity or gas is delivered to the customer. The transaction price is clearly stated, there are no separate performance obligations to which a portion of the transaction price needs to be allocated, and there is variable consideration based on future usage and meter readings. Revenue is measured on the applicable customer tariff rate and after deduction of discounts such as paperless billing, or government schemes such as the Warm Home Discount.

For electricity and gas supply, payment is collected either as a direct debit or paid on receipt of bill in arrears. Overdue amounts are reviewed regularly for impairment and provision made as necessary. No refunds, returns or warranties are applicable. Customer balances vary on a month to month basis based on usage and/or price adjustments.

Power supply revenue is split between the electricity and gas revenue streams within note 5 revenue.

2.4.2 Feed-in-Tariff revenue

The FiT scheme (introduced in April 2010) is a government scheme designed to promote the uptake of renewable generation technologies. FiT payments are received quarterly for the electricity that the generating asset has generated and exported in the period, based on meter readings supplied. This is a single performance obligation (to generate renewable electricity) and the transaction price is explicitly set out per unit of electricity generated. The performance obligation is satisfied immediately when the power is generated. Payment is received from Ofgem approximately 45 days after the end of the period of generation. No refunds, returns or warranties are applicable.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.4 Revenue recognition (continued)

2.4.3 Feed-in-Tariff administration services
The Group provides FiT administration services to micro-generators who are signed up to the FiT scheme. For FiT services, revenue is earned from Ofgem for administering the scheme, which is deemed to be the transaction price. For FiT services, there is an initial fee paid by Ofgem for taking on a generator, and then an ongoing amount that is received annually for provision of FiT services.

The initial fee is spread over the period from when the customer signs up with Good Energy until the following April, when the FiT compliance year ends for a new customer, and the ongoing fee that is received is spread over the 12 month compliance period. No refunds, returns or warranties are applicable.

FiT administration services is included within the FiT administration revenue stream within note 5 revenue.

2.4.4 Renewable Obligation Certificates (ROCs) revenue recognition
ROCs are awarded to the Group from Ofgem based on generation of power. These ROCs are sold on receipt of certificates from Ofgem allowing transfer of title. ROC revenue is deemed to be subsidy revenue rather than revenue from contracts with customers.

The amount of revenue recognised on sale is in accordance with a contractual agreement where the pricing is based on Ofgem's minimum ROC value (the buy-out) and a prudent estimate of the recycle element of the final value of a ROC once all energy suppliers have complied or paid the penalty for non-compliance with the renewables obligation (the recycle). A final adjustment to ROC revenue and profit is recognised once Ofgem have announced the final out-turn ROC price, but this is not accounted for in advance of the receipt of the final out-turn price as the transaction price is not measurable.

The performance obligation is satisfied when the power is generated as this ensures the certificates are generated by Ofgem. There is a three-month delay from generation to invoice, and payment is made 5 days after receipt of the invoice. No refunds, returns or warranties are applicable.

2.4.5 Advertising revenue
The Group has contracts to provide advertising space to companies on the zapmap.com website and Zapmap app. Advertising contracts are entered into for adverts to run for a set period of time, and explicitly state the transaction price. Payment is made on receipt of bill in advance. The performance obligation for revenue recognition is satisfied over time based upon the amount of time that the advert has been running on the platforms. No refunds, returns or warranties are applicable.

Advertising revenue is included within the energy as a service revenue stream within note 5 revenue.

2.4.6 Sale of EV market data
The Group sells licences for access to data feeds on the EV market and sells data insight reports. The transaction is explicitly stated in the contract. The performance obligation for the data feed licence is satisfied over time as the customer has a licence to access data when they require for a set contracted time period.

Payment is made on receipt of bill in advance. The performance obligation for the sale of data insight reports is satisfied at the point in time the report is delivered to the customer. No refunds, returns or warranties are applicable.

Sale of EV market data revenue is included within the energy as a service revenue stream within note 5 revenue.

2.4.7 Sale of heat pumps and installation
The Group sells a range of air source heat pumps. Sales are recognised when control of the product is transferred, being when the products are delivered to the customer and installed. Delivery and installation occur when the products have been delivered to the specific location and installed, the risks of obsolescence and loss have been transferred and the customer has accepted the products including objective evidence of acceptance.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.4 Revenue recognition (continued)

2.4.7 Sale of solar panels and installation
Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods and services supplied, stated net of discounts and value added taxes.

The Group recognises revenue when performance obligations have been satisfied which is when the solar panels have transferred to the customer, the installation services are complete and the customer has control of the products. The Group provides solar panel installation and maintenance services with national coverage and revenue is recognised when the solar panels are installed and in operational use. Maintenance services are one-off in nature and maintenance revenue is recognised as and when required by the customer.

2.5 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset and any costs attributable to bringing the asset to its working condition for its intended use.

The Group recognises part of an asset when that cost is incurred, if the recognition criteria are satisfied. The carrying amount of the replaced part is derecognised. All other repaid and maintenance costs are charged to profit or loss in the period in which they are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, less any estimated residual value, on the following bases:

Fixtures, fittings and equipment	between 3 and 5 years
Leasehold improvements	over the life of the lease

Depreciation of property, plant and equipment is included in the Consolidated Statement of Comprehensive Income in those expense categories consistent with the function of the asset.

An item of property, plant and equipment is derecognised upon disposal (i.e. at the date on which the recipient obtains control), or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition (being the difference between the carrying amount of the asset and the net disposal proceeds) is included in profit or loss, upon derecognition.

2.5.1 Impairment of property, plant and equipment (including right-of-use assets)
The useful economic lives of assets and their residual values are reviewed on an annual basis and revised where considered appropriate.

At each reporting date, property, plant and equipment is reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment in carrying value is charged to the Statement of Comprehensive Income in those expense categories consistent with the function of the impaired asset, and is recognised in the period in which it occurs.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.6 Leases (the Group as a lessee)

For any new contracts entered into on or after 1 January 2019, the Group performs an assessment at the inception of a contract to determine whether the contract is, or contains, a lease. A lease is defined as "a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration".

The Group applies a single recognition and measurement approach for all leases, with the exception of those which are short-term, or which comprise low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets
At the lease commencement date (i.e. the date on which the underlying asset is made available for use), the Group recognises a right-of-use asset on the Statement of Financial Position. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of the right-of-use asset comprises:

- the initial measurement of the lease liability,
- any initial direct costs incurred by the Group,
- an estimate of any costs required to dismantle or remove the asset at the end of the lease; and
- any lease payments made in advance of the lease commencement date, net of any incentives received.

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the estimated useful life of the right-of-use assets and the end of the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term, or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Group classifies its right-of-use assets in a manner consistent with that of its property, plant and equipment, which includes the application of the same estimated useful life bases – please see note 2.5 for details.

The Group also assesses the right-of-use assets for impairment, when such indicators exist. Please refer to note 2.5.1 for the accounting policy in respect of impairment.

(b) Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability include:

- fixed payments (including in-substance fixed payments) less any incentives receivable,
- variable lease payments that depend on an index or rate; and
- amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option that is reasonably certain to be exercised by the Group, along with payments of penalties for termination of the lease if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or rate are recognised as expenses in the period in which the event of condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the rate implicit in the lease is not readily determinable. Subsequent to initial measurement, the amount of lease liabilities is increased to reflect the accretion of interest and reduced to reflect lease payments made.

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine the lease payments) or a change in the assessment of an option to purchase the underlying asset.

In the Statement of Financial Position, the Group's lease liabilities are included within borrowings (please refer to note 23).

2. Summary of Significant Accounting Policies (continued)

2.6 Leases (the Group as a lessee) (continued)

(c) Short-term leases and leases of low value assets
The Group has elected to apply the recognition exemption in respect of short-term leases (i.e. those which have a lease term of 12 months from the lease commencement date, and do not contain a purchase option), as well as the recognition exemption applicable to leases of assets that are considered to be low value.

Instead of recognising a right-of-use asset and lease liability, lease payments in relation to these are recognised as an expense in the Statement of Comprehensive Income, on a straight-line basis over the lease term.

2.7 Goodwill, intangible assets and amortisation

Goodwill is measured as the difference between:

- the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed, and
- the aggregate of:
  (i) the value of consideration transferred (at fair value),
  (ii) the amount of any non-controlling interest, and
  (iii) in a business combination achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree.

2.7.1 Definite life intangible assets
Definite life intangible assets comprise software licences, website development costs, brands, customer relationships and order backlog, which meet the criteria of IAS 38 Intangible Assets, and are carried at cost less accumulated amortisation and impairment losses. Cost comprises purchase price from third parties as well as directly attributable internally generated development costs, where relevant.

2.7.2 Indefinite life intangible assets
Indefinite life intangible assets comprise goodwill and the power supply licence. The power supply licence is held as an indefinite life intangible asset according to the criteria of IAS 38 Intangible Assets, and is carried at cost less accumulated impairment losses. Cost comprises purchase price from third parties as well as directly attributable internally generated development costs, where relevant.

2.7.3 Amortisation
Amortisation on definite life intangible assets is charged to the Consolidated Statement of Comprehensive Income (included within administrative expenses) on a straight-line basis over the estimated useful life of the intangible asset. The estimated useful lives for intangible assets with definite lives are as follows:

Software licenses between	3 and 10 years
Website development costs	between 2 and 5 years
Brand	between 2 and 5 years
Customer relationships	between 5 and 10 years
Order backlog	between 0 and 1 year
Assets under the course of development	not amortised

An intangible asset is derecognised upon disposal (i.e. at the date on which the recipient obtains control), or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition (being the difference between the carrying amount of the asset and the net disposal proceeds) is included in profit or loss, upon derecognition.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.7 Goodwill, intangible assets and amortisation (continued)

2.7.4 Impairment of intangible assets
The Directors regularly review intangible assets for impairment and provision is made if necessary. Assets with indefinite useful lives are not subject to amortisation, therefore are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstance 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 inflows (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. Any impairment in carrying value is charged to the Statement of Comprehensive Income within administrative expenses and is recognised in the period in which it occurs.

2.8 Investment in subsidiaries

The Parent Company holds investments in subsidiary companies, and these are accounted for at cost less impairment in the Parent Company financial statements only.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.9 Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is defined as "the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control of those policies".

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. Generally, there is a presumption that a holding of 20% or more of the voting power of the investee results in significant influence.

To support this presumption – and when the Group has less than a 20% holding – the Group considers all relevant facts and circumstances in assessing whether it has significant influence, including:

- Representation on the Board of Directors or equivalent governing body of the investee.
- Participation in policy making processes.
- The interchange of managerial personnel.

The Group reassesses whether or not there is significant influence over an investee if facts and circumstances indicate that there are one or more changes to the above.

The Group's investments in associates are accounted for using the equity method. Under this method, the investment in the associate is initially recognised at cost. Subsequent movements in the carrying value of the investment are accounted for by recognising the Group's share of the associate's profit or loss since the acquisition date, as well as any fair value movements in the associate's net assets.

Gains or losses from the associate's operating activities are recognised in the Consolidated Statement of Comprehensive Income, outside of operating profit. Any changes in OCI of the associate is presented as part of the Group's OCI.

Goodwill relating to the associate is included in the carrying value of the investment, and is not separately tested for impairment. Rather, the entire carrying amount of the investment is tested for impairment.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.9 Investments in associates (continued)

2.9.1 Impairment of investments in associates
The Group recognises an impairment loss if, and only if, there is a triggering event giving rise to objective evidence that the associate is impaired, and that the triggering event has an impact on the future estimated cash flows from the net investment that can be reliably estimated. Where such evidence exists, the Group calculates the amount of the impairment as the difference between the recoverable amount of the investment (being the higher of its value in use and its fair value less costs to sell) and its carrying value.

Any impairment is recognised within the "Share of loss of Associate" line in the Consolidated Statement of Comprehensive Income. In 2022, the Group lost control of Zapmap as a subsidiary following a successful funding round. It is now accounted for as an associate under the equity method.

2.10 Inventories

2.10.1 Renewable Obligation Certificates (ROCs)
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 over a 12 month period, its percentage obligation to submit ROCs is set by Ofgem. The cost obligation is recognised as electricity is supplied and charged as a cost of sale in the Consolidated Statement of Comprehensive Income. Any gains or losses on disposal of ROCs which are in excess of the Group's compliance obligations are included as an adjustment to the compliance cost included within cost of sales. Externally generated ROCs are valued at the lower of purchase cost and estimated realisable value.

2.10.2 Carbon Offset Instruments
Carbon Offset Instruments are used by the Group to offset emissions generated by gas supply, as part of the Group's green gas offering. These instruments are recognised as inventory at the lower of cost and net realisable value.

2.11 Financial instruments

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: cash and cash equivalents, trade receivables, trade payables, borrowings, and financial assets and financial liabilities at fair value through profit and loss.

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

2.11.1 Financial assets at amortised cost
The Group's financial assets at amortised cost 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, and are solely payments of principal and interest. 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 and are subsequently carried at amortised cost using the effective interest rate method, less allowances for expected credit losses (ECLs). These are held in a business model which intends to hold the financial assets to collect the contractual cash flows rather than through sale. Trade receivables are shown inclusive of unbilled amounts to customers.

The Group recognises an allowance for ECLs for all financial assets measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.11 Financial instruments (continued)

The expected credit loss on intercompany receivables is measured at an amount equal to the 12 months expected credit loss where the credit risk has not increased significantly since initial recognition, otherwise it is measured at an amount equal to the lifetime expected credit losses.

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.

Restricted deposits are held by financing providers to cover debt service and maintenance expenses on generation sites to which the funding relates. Short-term security deposits are held by trading exchanges to cover short-term electricity trades.

2.11.2 Trade and other payables
Trade payables are obligations to pay for goods or services that have been acquired in the course of ordinary business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently held at amortised cost.

2.11.3 Borrowings
The Group expenses borrowing costs over the term of the loan facility. 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 note 23.

2.12 Disposal groups held for sale

Disposal groups are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and the sale is highly probable. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. They are not depreciated or amortised.

2.13 Non-underlying costs

Non-underlying items are those that in the Directors' view should be separately disclosed by virtue of their size, nature or incidence to enable a full understanding of the Group's financial performance.

2.14 Current and deferred taxation

The tax charge or credit included in the Consolidated Statement of Comprehensive Income for the period comprises current and deferred tax. Current and deferred tax is charged or credited to the Consolidated Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the current or deferred tax is also recognised within equity.

Current tax is the expected tax payable or receivable based on the taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income as it excludes items of income or expense that are taxable or deductible in other years, and it further excludes permanent differences (i.e. items that are never taxable or deductible).

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute these amounts are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.14 Current and deferred taxation (continued)

Deferred tax is the expected tax payable or recoverable on temporary differences which arise 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 provided for using the liability method to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are generally 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 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 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 financial 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 based on tax rates and tax laws that are expected to apply in the period when the asset is realised or the liability is settled.

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. The Group intends to settle its current tax assets and current tax liabilities on a net basis.

2.15 Share-based payments

The Group applies IFRS 2 to share-based payments. The Group operates a share-based payment compensation plan, under which the entity grants key employees the option to purchase shares in the Company at a specified price maintained for a certain duration.

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each financial period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Consolidated Statement of Comprehensive Income, with a corresponding adjustment to equity.

When the options are exercised, and the Group issues new shares to meet that obligation, the proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Notes to the Financial Statements

2. Summary of Significant Accounting Policies (continued)

2.17 Pensions

The Group operates a defined contribution pension scheme. Under this scheme the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due. The pension charge for the year represents the amounts payable by the Group in respect of the year.

2.18 Finance income and finance costs

Finance income is received in respect of cash deposits and is recognised in the Statement of Comprehensive Income using the effective interest method. Finance costs comprise interest on external debt, finance lease interest costs and the amortisation of loan issue costs. Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.19 Dividend distribution

Dividend distribution to the Parent Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Parent Company's shareholders. Interim dividends are recognised in the Group's financial statements when paid.

2.20 Changes in accounting policies and disclosures

New and amended standards and interpretations

The following new and amended standards and interpretations that are effective from 1 January 2024 have been applied with no impact on the financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. Standards issued but not yet effective are not expected to have a material impact on the financial statements.

Standards applicable for the first time in 2024:

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Non-current Liabilities with Covenants (Amendments to IAS 1)

Notes to the Financial Statements

3. Financial and Capital Risk Management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: liquidity risk, market risk (including currency risk, cash flow and fair value interest rate risk, and commodity price risk) and credit risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

3.1.1 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 prepares – in the operating entities of the Group – forecasts for the forthcoming year. In the Directors' opinion, these forecasts indicate that the Group will have sufficient resources to fund the continuation of trade. The Group monitors cash flow forecasts on a 'rolling forecast' basis to ensure it has sufficient cash to meet operational needs while maintaining enough headroom on its undrawn committed borrowing facilities at all times so as not to breach borrowing limits or covenants. A maturity analysis of financial instruments based on contractual undiscounted cashflows is provided below:

Consolidated 31 December 2024	Less than 1 year £000s	Between 1 and 2 years £000s	Between 2 and 5 years £000s	Over 5 years £000s
Bank loan	–	90	–	–
Corporate bond	186	4,125	–	–
Lease liabilities	423	1,242	–	–
Trade and other payables	57,552	–	–	–
Total	**58,161**	**5,458**	–	–

Consolidated 31 December 2023	Less than 1 year £000s	Between 1 and 2 years £000s	Between 2 and 5 years £000s	Over 5 years £000s
Bank loan	11	16	–	–
Corporate bond	220	5,063	–	–
Lease liabilities	389	1,055	–	–
Trade and other payables	63,702	–	–	–
Total	64,322	6,134	–	–

Parent 31 December 2024	Less than 1 year £000s	Between 1 and 2 years £000s	Between 2 and 5 years £000s	Over 5 years £000s
Corporate bond	186	4,125	–	–
Trade and other payables	26,985	–	–	–
Total	**27,171**	**4,125**	–	–

Parent 31 December 2023	Less than 1 year £000s	Between 1 and 2 years £000s	Between 2 and 5 years £000s	Over 5 years £000s
Corporate bond	220	5,063	–	–
Trade and other payables	1,331	–	–	–
Total	1,551	5,063	–	–

IFRS 16 requires that the maturity analysis of lease liabilities are disclosed separately from the maturity analyses of other financial liabilities.

Notes to the Financial Statements

3. Financial and Capital Risk Management (continued)

3.1 Financial risk factors (continued)

3.1.2 Market Risk

3.1.2a Cash flow and fair value 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 as the policy of the Group is not to rely on short-term borrowing facilities for any significant duration. The Directors use interest rate swaps if they consider their exposure to interest rate risk to be material. For long term borrowings, the Group may use 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. There were no such swaps at the year end and the interest rate risk at 31 December 2024 is considered to be nil. None of the group's cash balances or restricted deposit accounts are exposed to interest rate risk. The interest rate on the bond is 4.75% and the only other exposure to this risk is on a small amount of interest income which is considered immaterial to warrant the preparation of a sensitivity analysis.

3.1.2b Commodity price risk

The Group's operations result in exposure to fluctuations in energy prices. Management monitors energy prices and analyses supply and demand volumes to manage exposure to these risks. The Group typically buys power forwards in order to mitigate some of the risk of commodity price fluctuations.

If the wholesale market moves significantly upwards or downwards, the price risk to the Group will depend upon a number of factors including the excess or deficiency of power being supplied by renewable power purchase contracts in place at the time. The Group may be required to pass on the price risk to customers. Retail prices can be amended with 30 days' advance notification to customers. The Group closely monitors movements in the wholesale market and assesses trends, so it is ready to take necessary action when required.

Vertical integration of the Group has helped further mitigate exposure to changes in power prices. Fluctuations in commodity prices flow directly into the price cap set by Ofgem, therefore commodity risk will be offset by revenue fluctuations as the price cap adjusts for commodity cost movements. A sensitivity analysis on commodity price risk is therefore not considered necessary.

3.1.3 Credit risk

The Group's exposure to credit risk arises from its receivables from customers. At 31 December 2024, the Group's trade and other receivables were classed as due within one year, details of which are included in note 19. The Group's policy is to undertake credit checks where appropriate on new customers and to provide for expected credit losses (ECLs) based on estimated irrecoverable amounts determined by reference to specific circumstances and past debt collection experience. Credit risk is also in part mitigated by the policy to offer direct debit as a preferred method of payment for customers. At the end of the reporting period the Directors have provided for specific expected credit losses and believe that there is no further credit risk.

The Group's management would consider a default to occur should a customer debt remain unpaid after 12 months. This is appropriate due to the seasonal nature of the business and the use of direct debit as a common method of payment. Write offs are performed on an individual customer basis upon cessation of trade in the case of business customers, or if extensive debt collection efforts are unsuccessful.

Credit risk also arises from cash and cash equivalents, and deposits with banks and financial institutions. The Directors monitor the credit quality of the institutions used when considering which banks and financial institutions funds should be placed with.

The ECL model has been calculated in line with requirements under IFRS 9. The Group's trade receivables have no significant financing component, so the Group has used the simplified method for providing for these under IFRS 9. Therefore, the impairment loss is measured at lifetime ECL. Trade debtors have been segmented into categories of customer type and debt age, meaning the debt is split into categories with similar expected credit losses.

An impairment analysis is performed at each reporting date using a provision matrix to measure the expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Intercompany balances owed to Good Energy Group PLC are reviewed regularly to monitor credit risk for the Parent Company.

Notes to the Financial Statements

3. Financial and Capital Risk Management (continued)

3.2 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 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. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the Consolidated Statement of Financial Position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the Consolidated Statement of Financial Position, plus net debt. The capital structure of the Group is as follows:

	Note	**2024 £000s**	2023 £000s
Total borrowings	23	**5,922**	6,218
Less: cash in restricted deposit accounts (current)		**(7,609)**	(5,912)
Less: cash and cash equivalents	20	**(28,621)**	(41,346)
Net funds		**(30,308)**	(41,040)
Total equity		**50,746**	42,005
Total capital		**20,438**	965
Gearing ratio		**0%**	0%

The Group's borrowings are subject to maintaining covenants as defined by the debt funders. Throughout the year ended 31 December 2024 the Group complied with all external borrowing covenants and management monitors the continued compliance with these covenants on a quarterly basis.

4. Critical Accounting Judgements and Estimates

In the process of applying the Group's accounting policies, management has to make judgements and estimates that have a significant effect on the amounts recognised in the financial statements. These judgements and estimates are evaluated continually and are based on historical experience and other factors, including expectations of future events.

Given the nature of the estimates and judgements made, it is not appropriate to provide sensitivity analyses, unless explicitly stated otherwise. Actual results may differ from the initial judgement or estimate, and any subsequent changes are accounted for at a time when updated information becomes available.

The most critical of these accounting judgements and estimates are detailed below.

4.1 Judgements

4.1.1 Judgements over revenue from contracts with customers

The Group applied the following judgements that affect the determination of the amount and timing of revenue from contracts with customers:

(a) Identifying performance obligations in contracts

Good Energy's revenues from contracts with customers include unit charges and standing charges for the supply of electricity and gas and FiT administration fees. Most of these performance obligations are easily identifiable and are separable.

For FiT administration revenue from customers who are new to the FiT scheme, Good Energy is required to both register and administer that customer for a year, and there is a higher administration payment from Ofgem as a result. Registering a customer to the FiT scheme and administering their account are not separable performance obligations, as there is no fee for registering and not administering the customer.

Notes to the Financial Statements

4. Critical Accounting Judgements and Estimates (continued)

4.1 Judgements (continued)

4.1.1 Judgements over revenue from contracts with customers (continued)

(b) Principal versus agent considerations

Contracts are entered into with customers to supply electricity and gas, which is a service delivered over time (as the customer consumes the electricity or gas), in which the Group is the principal.

FiT administration contracts are entered into with the customer, to supply administration services on behalf of Ofgem. The Group acts as an agent for Ofgem, not a principal, because the Group is not entitled to revenue from the customers' FiT sites, only the administration fee.

Payment normally takes place after performance by the Group; NHH (non half-hourly) customers with 15-day payment terms and HH (half-hourly) customers with 30-day payment terms. Some customers pay by monthly direct debit and the Group aims to recover billed amounts every 3 months. Contract assets and liabilities are based on timing of meter reads and changes in volumes due to factors such as weather therefore it is not possible to quantify year on year movements. Due to the nature of the business and the amount of customer accounts, it is not possible to quantify individual factors causing movements on contract assets and contract liability balances between the periods.

4.2 Estimates

Critical estimates:

4.2.1 Estimates over revenue from contracts with customers

Revenue calculated from energy sales includes an industry estimate of the quantity in units of electricity or gas supplied to the Group's customers during the 12 months preceding the end of the reporting period. It also includes an estimate in the form of the average sales price per unit, and standing charge.

0% of the total revenue figure is estimated, with a fixed transaction price and estimated unit consumption.

The estimate is made using historical consumption patterns, industry estimated consumption rates, seasonality data available, and takes into consideration industry reconciliation processes, upon which the Group takes a prudent position until final reconciliation data is available from the industry 14 months after the supply date.

The Group identified the amount of accrued income subject to estimation uncertainty is approximately £0.3m out of a total carrying amount of £14.4m held on the balance sheet at the year end included within note 19. It is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from the assumptions used could require a material adjustment to the carrying amount of the asset.

4.2.2 Provision for expected credit losses of trade and intercompany receivables, and contract assets

The Group uses a provision matrix to calculate expected credit losses (ECLs) for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (e.g. by customer type).

The provision matrix is initially based on the Group's historic observed default rates, calibrated to adjust the historic credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The group has considered external benchmarks for future macro-economic indicators and concluded that the inclusion of a macroeconomic overlay was not appropriate in the ECL calculation as at 31 December 2024 due to the stabilisation in wholesale costs seen during 2024 and the resulting impact reflected in Ofgem's energy price cap.

It is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from the assumptions used could require a material adjustment to the carrying amount of the asset.

The assessments undertaken in recognising provisions have been made in accordance with IFRS 9. A provision for impairment of trade receivables is established based on an expected credit loss model. Information about the ECLs on the Group's trade receivables is disclosed in note 19.

The Parent Company also holds material receivable balances with its subsidiaries, for which the expected credit loss model is also used in establishing a provision for impairment, in accordance with IFRS 9. Information about the Parent Company loans to Group undertakings can be found per note 16.

Notes to the Financial Statements

4. Critical Accounting Judgements and Estimates (continued)

4.2 Estimates (continued)

Critical estimates: (continued)

4.2.3 Impairment of indefinite life assets

The carrying values of indefinite life assets included in intangible assets are: goodwill of £19,799,000 (2023: £4,633,000). Within the total goodwill value of £19,799,000, £1,061,000 is allocated in Good Energy Limited, £1,807,000 is allocated to Good Energy Works Limited, £1,839,000 is allocated to Good Energy Solar (South West) Limited, £5,364,000 is allocated to JPS Group, £4,475,000 is allocated to Amelio and £4,980,000 is allocated to Empower.

A power supply license of £180,000 (2023: £180,000) is allocated to Good Energy Limited.

Management have allocated cash generating units (CGUs) at segment level as follows:

- Supply: Good Energy Limited
- Heat: Good Energy Works Limited
- Solar: Good Energy Solar (South West) Limited, JPS Group, Amelio, Empower

In arriving at the conclusion that these assets have an indefinite life, management have observed that the power supply license is awarded until any breach of conditions stipulated by Ofgem. The treatment of goodwill is aligned with relevant accounting standards. An impairment review is carried out annually or more frequently.

Originally, management's impairment review for the year ended 31 December 2024 was calculated using value in use as the basis of the recoverable amount. It was determined that as value in use exceeded the carrying value for each CGU, no impairment was required.

The key assumptions used in the impairment reviews are as follows:

Pre-tax discount rates

- Supply: 4.75%
- Solar: 16%
- Heat: 8%

Sensitivity analysis has been conducted on the cost of capital for each CGU. The Directors noted the following:

An increase in the post-tax discount rate to 24.5% would leave sufficient headroom in the Supply CGU before impairment is required.

An increase in the post-tax discount rate to 20.5% would leave sufficient headroom in the Solar CGU before impairment is required.

An increase in the post-tax discount rate to 11% would leave sufficient headroom in the Heat CGU before impairment is required.

Subsequently, the timing of the cash offer to purchase Good Energy by Esyasoft as disclosed in note 32, meant that new information became available in relation to the fair value of the Good Energy Group. On 27 January 2025, the offer was announced publicly at £4.90 per share. This changed management's assessment of the recoverable amount used in the impairment review. In obtaining a reliable fair value estimate based on an external valuation of the company under current market conditions, management established that fair value less costs of disposal is higher than value in use. The impairment review was updated accordingly based on management's revised calculation of the recoverable amount. Therefore, the impairment review for the year ended 31 December 2024 was calculated using fair value less cost of disposal as the basis for the recoverable amount. The fair value relates to an offer received pre year end and accepted post year end. The inputs are categorised as Level 3 in the fair value hierarchy.

Good Energy Directors are satisfied that no impairment is required on the Solar and Supply CGUs and that the recoverable amounts exceed the carrying amount with sufficient headroom. The Directors are also satisfied that no material impairment was identified on the impairment assessment for the Heat CGU. As such, no impairment losses have been recognised in the Consolidated Statement of Comprehensive Income for the year ended 31 December 2024.

4. Critical Accounting Judgements and Estimates (continued)

4.2 Estimates (continued)

Critical estimates: (continued)
4.2.4 Investment in associate
In 2022, the group recognised an investment in associate in respect of Zapmap, measured under the equity method. An independent external valuation was carried out to determine a fair value for the purposes of calculating the initial value of the investment in the associate.

On 8th August 2022, the group holding in Zapmap was restructured. Zapmap undertook a Series A funding round in which the Group participated. Following a competitive process, the Series A funding round was successfully completed with the Group and Fleetcor UK Acquisition Limited ("Fleetcor") investing in the round. Following the transaction, Good Energy has a significant minority 49.9% shareholding and Fleetcor have a shareholding of 19.9%. Fleetcor purchased its 19.9% stake for an investment of £5.3m.

The valuation of the revised holding in Zapmap has been conducted using the Merton model valuing the company's holding at £13.2m as at 31 December 2022. The valuation of Zapmap can be considered subjective due to various factors. Firstly, the fact that Zapmap's shares are unlisted; secondly, the mix of Ordinary and Preference share holdings; thirdly, the volatility assumption made within the valuation modelling; and finally, the application of value to a significant minority shareholding. The valuation was based on current prices in an active market for similar companies within the industry and is therefore categorised as Level 2 in the fair value hierarchy.

In the current year, a further independent external valuation exercise was undertaken under the Merton model to support the carrying value of Good Energy's investment in Zapmap at 31 December 2024 included within note 17. The external advisors took into account the performance of the business during the year and assumptions related to December 2024 to reach a minimum enterprise value for Zapmap. Management consider the valuation approach taken and the assumptions used reasonable and are comfortable that no impairment is required.

The key inputs and assumptions used in the external valuation carried out for the year ended 31 December 2024 are as follows:

- Preference share dividend rate: 9%
- Risk-free rate: 1.87%
- Assumed period to exit: 5 years
- Volatility rate: 64.93%

Other estimates:
4.2.5 Power purchase costs
Power purchase costs can typically take 14 months from the date of supply to be finalised due to the processes that the energy market has to complete in order to finalise generation and consumption data for any one particular month. Therefore, there is an element of power purchase costs that needs to be estimated based on a combination of in-house and industry data that is available at any particular point in time. Industry information from the Data Transfer Network catalogue is used in the estimation process. Specifically, D36 data flows are used to determine unbilled volume from industry data. Internal contract prices are then applied to the industry data to arrive at an estimate for power purchase costs. The estimation uncertainty relates to a carrying amount of £3.6m held on the balance sheet at the year end included within note 25.

Sensitivity analysis is not considered appropriate for power purchase costs. If power is not received via renewable generators, it is purchased through trades. Therefore, there is a natural control in place to mitigate unexpected shocks.

4.2.6 Inventories
The Group carries Renewable Obligation Certificates (ROCs) as inventory in its Consolidated Statement of Financial Position. These are valued at the lower of cost or estimated realisable value. Gains or losses made on ROCs which are subsequently sold are only recognised in the Statement of Comprehensive Income when they crystallise.

The final out-turn value of a ROC is published by Ofgem in October following the compliance year (April to March) which may require a final adjustment to gains or losses on the sale or purchase of ROCs previously recognised in the Consolidated Statement of Comprehensive Income. The estimation uncertainty relates to a carrying amount of £10.7m held on the balance sheet at year end included within note 18.

Sensitivity analysis is not conducted for ROCs due to the low level of risk involved. If no certificates are received, no payment is made. A change in the final out-turn value of a ROC is not expected to have a material impact on the financial statements. Volumes are monitored closely during the year for any movements that could materially impact the Renewable Obligation provision.

Notes to the Financial Statements

5. Revenue

Revenue is attributable to the principal activities of the Group as disclosed in note 16.

An analysis of revenue by class of business is as follows:

	2024 £000s	2023 £000s
Electricity supply	**129,783**	204,815
FIT Administration	**5,445**	5,464
Gas supply	**27,494**	41,402
Energy as a Service	**17,459**	3,043
Holding companies/consolidation adjustments	**(113)**	(21)
Total revenue	**180,068**	254,703

Energy as a service includes revenues from the sale and installation of heat pumps and solar panels generated by Good Energy Works, Good Energy Solar, JPS, Amelio and Empower. It also includes Good Energy's share of Zapmap revenues from the sale of EV market data and advertising revenue.

Renewable Obligation Certificates (ROCs) revenue is included within Electricity supply.

Analysis of revenue by country of destination:

	2024 £000s	2023 £000s
United Kingdom	**180,068**	254,703

All revenue arose within the United Kingdom.

6. Operating Profit

	2024 £000s	2023 £000s
The operating profit is stated after charging:		
Depreciation of property, plant and equipment	**300**	123
Depreciation of right of use assets	**404**	493
Amortisation of intangible assets	**798**	192
Auditors' remuneration		
Audit of parent and consolidated financial statements	**149**	138
Audit of subsidiaries	**111**	103
Subtotal (audit)	**260**	241
The administrative expenses comprise the following:		
Staff and associated costs	**22,758**	19,197
Office costs and general overheads	**4,557**	3,766
Marketing costs	**2,435**	1,198
Professional fees and bank charges	**8,125**	8,326
(Reversal of Expected Credit Losses (ECL) on financial and contract assets)/ECL charge	**(2,265)**	3,444
Depreciation and amortisation	**1,502**	809
Impairment loss	**–**	286
Loss on disposal of non-current assets	**–**	15
Total	**37,373**	37,282

Notes to the Financial Statements

7. Staff Costs

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

	2024 £000s	2024 £000s
Wages and salaries	**16,440**	15,971
Social security costs	**1,718**	1,630
Share based payments	**468**	341
Other pension costs	**960**	727
Total staff costs	**19,586**	18,669

Details of share based payments can be found in note 28.

No staff members were employed by the parent company during the year. The average monthly number of employees, including Directors, during the year was as follows:

	2024 Number	2023 Number
Operations	**189**	144
Business services	**284**	218
Total management and administration	**473**	362

8. Directors' and Key Management Remuneration

	2024 Directors £000s	**2024 KMP £000s**	**2024 Total £000s**	2023 Directors £000s	2023 KMP £000s	2023 Total £000s
Short term employee benefits	**1,534**	**869**	**2,403**	921	307	1,228
Post employment benefits	**84**	**163**	**247**	19	45	64
Share based payments	**355**	**113**	**468**	259	82	341
Total	**1,973**	**1,145**	**3,119**	1,198	435	1,633

Key management personnel (KMP) are considered to be the directors of Good Energy Group PLC and the Executive team. The emoluments relating to these teams are included in the table above.

During the year retirement benefits were accruing to 3 Directors of the Group (2023: 3) in respect of money purchase pension schemes. Share options were exercised by 2 Directors of the Group during the year.

In respect of the highest paid Director, the Group paid remuneration of £649,612 (2023: £463,391), including contributions to money purchase pension schemes of £31,500 (2023: £28,158). No share options were exercised by the highest paid Director during the year.

9. Finance Income

	2024 £000s	2023 £000s
Bank and other interest receivable	**1,177**	434
Preference share dividends	**544**	463
Total finance income	**1,721**	897

10. Finance Costs

	2024 £000s	2023 £000s
On corporate bond	**253**	220
Other interest payable	**39**	18
Interest on lease liabilities	**63**	83
Total finance costs	**355**	321

Notes to the Financial Statements

11. Taxation

	2024 £000s	2023 £000s
Analysis of tax charge for the year		
Current tax		
Current tax	**2,407**	2,382
Adjustments in respect of prior years	**(572)**	377
Total current tax	**1,835**	2,759
Deferred tax		
Origination and reversal of temporary differences	**(247)**	55
Adjustments in respect of prior years	**258**	(7)
Total deferred tax	**11**	48
Tax on profit on ordinary activities	**1,846**	2,807

The current tax adjustment in respect of prior years is the reversal of a 2023 adjustment related to payment for group relief in the generation entities previously owned by the Group.

Adjustments in respect of prior year deferred tax amounts are from differences in profit before tax and qualifying fixed assets arising on finalisation of tax computations.

	2024 £000s	2023 £000s
Income tax expense reported in the statement of profit and loss	**1,846**	2,807
Total tax charge for the year	**1,846**	2,807

There has been no change in the corporation tax rate in the year. It has remained at 25%. There has been no impact on the tax accounting as a result of the Pillar Two income taxes.

Factors affecting the tax charge for the year
The tax assessed for the year is higher (2023: higher) than the standard rate of corporation tax in the UK of 25% (2023: 23.5%).

The differences are explained below:

	2024 £000s	2023 £000s
Accounting profit before tax	**6,590**	5,683
Profit before tax multiplied by the standard rate of corporation tax in the UK of 25% (2023: 23.5%)	**1,648**	1,336
Tax effects of:		
Expenses not deductible for tax purposes	**292**	539
Non-taxable income	**(162)**	–
Effects of changes in tax rate	**–**	4
Share-based payment adjustment	**(59)**	53
Prior year adjustments	**(314)**	389
Non taxable item on consolidation	**407**	490
Deferred tax on losses not recognised	**34**	(4)
Total tax charge for the year	**1,846**	2,807

Corporation tax payable

	Parent company		Consolidated	
	2024 £000s	2023 £000s	2024 £000s	2023 £000s
UK corporation tax on profits for the year	**–**	–	**648**	2,228

Notes to the Financial Statements

12. Earnings Per Share

Basic
Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares during the year.

	Consolidated	
	2024	2023
Profit attributable to owners of the company (£000s)	**4,744**	2,876
Basic weighted average number of ordinary shares (000s)	**18,285**	16,793
Basic earnings per share	**25.9**	17.1

Diluted
Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares to assume conversion of all potentially dilutive ordinary shares. Potentially dilutive ordinary shares arise from awards made under the Group's share-based incentive plans.

Where the vesting of these awards is contingent on satisfying a service or performance condition, the number of potentially dilutive ordinary shares is calculated based on the status of the condition at the end of the period.

Potentially dilutive ordinary shares are dilutive only when the average market price of the Company's ordinary shares during the period exceeds their exercise price (options) or issue price (other awards). The greater any such excess, the greater the dilutive effect.

The average market price of the Company's ordinary shares during the year was 291p (2023: 209p).

	Consolidated	
	2024	2023
Profit attributable to owners of the company (£000s)	**4,744**	2,876
Diluted weighted average number of ordinary shares (000s)	**18,889**	16,963
Diluted earnings per share	**25.1**	17.0

The dilutive effect of share-based incentives was 604,031 shares (2023: 169,580).

Notes to the Financial Statements

13. Property, Plant and Equipment

Consolidated Year ended 31 December 2024	Leasehold improvements £000s	Furniture, fittings & equipment £000s	Total £000s
Cost or valuation			
At 1 January 2024	447	1,367	1,814
Additions	–	475	475
Acquired in a business combination	–	929	929
Disposals		(184)	(184)
At 31 December 2024	447	2,587	3,034
Accumulated depreciation			
At 1 January 2024	(447)	(1,187)	(1,634)
Charge for the year	–	(300)	(300)
Eliminated on disposal	–	1	1
At 31 December 2024	(447)	(1,486)	(1,933)
Net book value			
At 1 January 2024	–	180	180
At 31 December 2024	–	1,101	1,101

Consolidated Year ended 31 December 2023	Leasehold improvements £000s	Furniture, fittings & equipment £000s	Total £000s
Cost or valuation			
At 1 January 2023	447	1,184	1,631
Additions	–	168	168
On acquisition of subsidiary	–	33	33
Disposals	–	(18)	(18)
At 31 December 2023	447	1,367	1,814
Accumulated depreciation			
At 1 January 2023	(415)	(1,099)	(1,514)
Charge for the year	(32)	(91)	(123)
Eliminated on disposal	–	3	3
At 31 December 2023	(447)	(1,187)	(1,634)
Net book value			
At 1 January 2023	32	85	117
At 31 December 2023	–	180	180

14. Right of Use Assets

Office buildings typically have lease terms of between 4 to 6 years. The Group's obligations under its office lease are secured by the lessor's title to the leased assets.

The Group also has certain leases of printers, laptops, and coffee and water machines, with low value underlying assets. The Group has applied the recognition exemption in respect of these leases.

The office lease generally imposes a restriction from subleasing the underlying assets to another party, therefore the right-of-use assets can only be used by the Group.

The lease payments within the Group's lease agreements (with the exception of leases of low value underlying assets) are linked to annual charges in the Retail Price Index.

The Group classifies its right-of-use assets in a manner consistent with that of its property, plant and equipment. The carrying values of the right-of-use assets, together with the depreciation charge split by class of underlying asset, are shown below:

Consolidated Year ended 31 December 2024	**Land and buildings £000s**	**Motor vehicles £000s**	**Total £000s**
Cost or valuation			
At 1 January 2024	3,390	193	3,583
Remeasurement of lease	(88)	–	(88)
Additions	–	61	61
Acquired in a business combination	–	915	915
Disposals	–	(71)	(71)
At 31 December 2024	3,302	1,098	4,400
Accumulated depreciation			
At 1 January 2024	(2,310)	(46)	(2,356)
Charge for the year	(287)	(117)	(404)
Eliminated on disposal	–	44	44
At 31 December 2024	(2,597)	(119)	(2,716)
Net book value			
At 1 January 2024	1,080	147	1,227
At 31 December 2024	705	979	1,684

Notes to the Financial Statements

14. Right of Use Assets (continued)

Consolidated Year ended 31 December 2023	Land and buildings £000s	Motor vehicles £000s	Total £000s
Cost or valuation			
At 1 January 2023	2,187	–	2,187
Additions	1,203	55	1,258
On acquisition of subsidiary	–	138	138
At 31 December 2023	**3,390**	**193**	**3,583**
Accumulated depreciation			
At 1 January 2023	(1,863)	–	(1,863)
Charge for the year	(447)	(46)	(493)
At 31 December 2023	**(2,310)**	**(46)**	**(2,356)**
Net book value			
At 1 January 2023	324	–	324
At 31 December 2023	**1,080**	**147**	**1,227**

Set out below are the carrying amounts of lease liabilities (included within borrowings) and the movements during the period:

	2024 £000s	2023 £000s
At 1 January	**1,252**	290
Additions	**61**	1,258
Additions from acquisition of Subsidiaries	**698**	267
Remeasurement of lease liability	**(88)**	–
Disposals	**(71)**	–
Accretion of interest	**63**	83
Payments	**(384)**	(646)
At 31 December	**1,531**	1,252
Current	**374**	306
Non-current	**1,157**	**946**
Total	**1,531**	**1,252**

The maturity analysis of lease liabilities is disclosed in note 23.

The following are the amounts recognised in the Statement of Comprehensive Income:

	2024 £000s	2023 £000s
Depreciation of right-of-use assets (included within administrative expenses)	**404**	493
Interest expense on lease liabilities	**63**	83
Expense relating to leases of low value assets (included within administrative expenses)	**338**	194
Total amount recognised in the Statement of Comprehensive Income	**805**	770

14. Right of Use Assets (continued)

During the year, the Group had the following:

- Total cash outflows for leases of £384,000 (2023: £646,000)
- No transactions giving rise to gains or losses arising from sale and leaseback transactions
- No amounts relating to short terms leases

The Group also has lease contracts concerning office buildings which include extension and termination options.

Management do not expect to exercise any options to extend the lease term and do not expect to exercise any options to terminate the lease.

At the Statement of Financial Position date, the Group had no lease commitments in respect of leases committed to but not yet commenced.

The Group had not entered into any lease agreements in respect of the construction of a new premises.

15. Intangible Assets

Consolidated Year ended 31 December 2024	Power supply license £000s	Software licenses £000s	Website development costs £000s	Goodwill £000s	Brand, customer relationships, order backlog £000s	Assets under the course of development £000s	Total £000s
Cost or valuation							
At 1 January 2024	180	7,107	216	4,633	889	286	13,311
Acquired in a business combination	–	–	12	15,092	2,293	–	17,397
Additions	–	–	–	74	–	378	452
At 31 December 2024	180	7,107	228	19,799	3,182	664	31,160
Accumulated depreciation and impairment							
At 1 January 2024	–	(7,084)	(193)	–	(54)	(286)	(7,618)
Charge for the year	–	(17)	(23)	–	(758)	–	(798)
At 31 December 2024	–	(7,101)	(216)	–	(812)	(286)	(8,416)
Net book value							
At 1 January 2024	180	22	23	4,633	835	–	5,694
At 31 December 2024	180	5	12	19,799	2,370	378	22,744

In 2024, the useful life estimate of the brand asset recognised in the prior year relating to Wessex ECOEnergy Limited was changed from 15 years to 3 years following its integration into the Good Energy brand. This resulted in £0.3m of accelerated depreciation charged in the year.

The revised 3 year useful life estimate has also been applied to the brand assets recognised in respect of the entities acquired during 2024. These brands are expected to be discontinued and integrated into the Good Energy brand within the next 3 years.

Notes to the Financial Statements

15. Intangible Assets (continued)

Consolidated Year ended 31 December 2023	Power supply license £000s	Software licenses £000s	Website development costs £000s	Goodwill £000s	Brand, customer relationships & order backlog acquired* £000s	Assets under the course of development £000s	Total £000s
Cost							
At 1 January 2023	180	7,098	213	2,866	–	286	10,643
Acquired in a business combination	–	–	–	1,767	889	–	2,656
Additions	–	9	3	–	–	–	12
At 31 December 2023	**180**	**7,107**	**216**	**4,633**	**889**	**286**	**13,311**
Accumulated depreciation and impairment losses							
At 1 January 2023	–	(6,971)	(169)	–	–	–	(7,140)
Charge for the year	–	(113)	(24)	–	(54)	–	(191)
Impairment	–	–	–	–	–	(286)	(286)
At 31 December 2023	**–**	**(7,084)**	**(193)**	**–**	**(54)**	**(286)**	**(7,617)**
Net book value							
At 1 January 2023	180	127	44	2,866	–	286	3,503
At 31 December 2023	**180**	**23**	**23**	**4,633**	**835**	**–**	**5,694**

* The brand, customer relationships & order backlog were recognised on acquisition of Good Energy Solar (South West) Limited (formerly Wessex ECOEnergy Limited).

An external valuation was obtained during the year ended 31 December 2023 resulting in the recognition of £0.9m of intangible assets, of which £0.8m relates to the Wessex brand name and £0.1m relates to Wessex customer relationships and order backlog acquired by the Group on completion of the transaction.

As at 31 December 2024, the order backlog and customer relationship asset recognised in the prior year are fully amortised. Brand assets for the entities acquired during 2024 have been recognised in the current year using a valuation methodology consistent with that used in the prior year in relation to the formerly named Wessex brand.

Notes to the Financial Statements

15. Intangible Assets (continued)

The carrying values of indefinite life assets included in intangible assets are: goodwill of £19,799,000 (2023: £4,633,000). Within the total goodwill value of £19,799,000, £1,061,000 is allocated to Good Energy Limited, £1,807,000 is allocated to Good Energy Works Limited, £1,839,000 is allocated to Good Energy Solar (South West) Limited, £5,637,000 is allocated to JPS Group, £4,475,000 is allocated to Amelio and £4,980,000 is allocated to Empower.

A power supply license of £180,000 (2023: £180,000) is allocated to Good Energy Limited.

Management have allocated cash generating units (CGUs) at segment level as follows:

- Supply: Good Energy Limited
- Heat: Good Energy Works Limited
- Solar: Good Energy Solar (South West) Limited, JPS Group, Amelio, Empower

In arriving at the conclusion that these assets have an indefinite life, management have observed that the power supply licence is awarded until any breach of conditions stipulated by Ofgem. The treatment of goodwill is aligned with relevant accounting standards. An impairment review is undertaken annually or more frequently.

Originally, management's impairment review for the year ended 31 December 2024 was calculated using value in use as the basis of the recoverable amount. It was determined that as value in use exceeded the carrying value for each CGU, no impairment was required.

The key assumptions used in the impairment reviews are as follows:

Pre-tax discount rates

- Supply: 4.75%
- Solar: 16%
- Heat: 8%

Sensitivity analysis has been conducted on the cost of capital for each CGU. The Directors noted the following:

An increase in the post-tax discount rate to 24.5% would leave sufficient headroom in the Supply CGU before impairment is required.

An increase in the post-tax discount rate to 20.5% would leave sufficient headroom in the Solar CGU before impairment is required.

An increase in the post-tax discount rate to 11% would leave sufficient headroom in the Heat CGU before impairment is required.

Subsequently, the timing of the cash offer to purchase Good Energy by Esyasoft as disclosed in note 32, meant that new information became available in relation to the fair value of the Good Energy Group. On 27 January 2025, the offer was announced publicly at £4.90 per share. This changed management's assessment of the recoverable amount used in the impairment review. In obtaining a reliable fair value estimate based on an external valuation of the company under current market conditions, management established that fair value less costs of disposal is higher than value in use. The impairment review was updated accordingly based on management's revised calculation of the recoverable amount. Therefore, the impairment review for the year ended 31 December 2024 was calculated using fair value less cost of disposal as the basis for the recoverable amount. The fair value relates to an offer received pre year end and accepted post year end. The inputs are categorised as Level 3 in the fair value hierarchy.

Good Energy Directors are satisfied that no impairment is required on the Solar and Supply CGUs and that the recoverable amount exceeds the carrying amount with sufficient headroom. The Directors are also satisfied that no material impairment was identified on the impairment assessment of the Heat CGU. As such, no impairment losses have been recognised in the Consolidated Statement of Comprehensive Income for the year ended 31 December 2024.

Notes to the Financial Statements

16. Investments and Subsidiaries

Parent Company Year ended 31 December 2024	Shares in Group undertakings £000s	Total £000s
Cost and net book value		
At 1 January 2024	**12,814**	**12,814**
Capital contribution to acquire subsidiaries	**22,803**	**22,803**
Impairment in investment of Good Energy Services Limited	**(485)**	**(485)**
At 31 December 2024	**35,132**	**35,132**

The impairment in Good Energy Services Limited relates to a reduction in the valuation of one of its direct investments, Good Energy Works Limited.

Parent Company Year ended 31 December 2023	Shares in Group undertakings £000s	Total £000s
Cost and net book value		
At 1 January 2023	10,260	10,260
Capital contribution to acquire subsidiary	2,554	2,554
At 31 December 2023	**12,814**	**12,814**

The Group had the following subsidiaries at 31 December 2024 (all of which have the same registered address as Good Energy Group PLC unless otherwise noted, which can be found within the Directors and Corporate Resources section on the final page of this report):

Name	Country of incorporation and place of business	Proportion of ordinary shares directly held by Parent Company	Nature of business
Good Energy Limited	UK	100%	Supply of renewably sourced electricity and FIT administration
Good Energy Gas Limited	UK	100%	Supply of gas
Good Energy Generation Limited	UK	100%	An investor in potential new generation sites
Good Energy Services Limited	UK	100%	Holding company
Good Energy Works Limited*	UK	100%	Heat pump installation
Good Energy Solar (South West) Limited*	UK	100%	Solar panel installation
JPS Renewable Energy Ltd	UK	100%	Solar panel installation
Trust Solar Wholesale Ltd*	UK	100%	Wholesaler and distribution business
Amelio Enterprises Limited*	UK	100%	Solar panel installation
Empower Energy Limited	UK	100%	Solar panel installation
Good Energy Cedar Windfarm Limited*	UK	99.995%	Dormant
Good Energy Tidal Limited	UK	100%	Dormant

* Entities indirectly owned by Good Energy Group PLC.

16. Investments and Subsidiaries (continued)

The subsidiaries above have all been included in the consolidated financial statements.

Impairment
An impairment assessment was carried out for the year ended 31 December 2024.

Originally, management's impairment review for the year ended 31 December 2024 was calculated using value in use as the basis of the recoverable amount. It was determined that as value in use exceeded the carrying value for each CGU, no impairment was required.

Subsequently, the timing of the cash offer to purchase Good Energy by Esyasoft as disclosed in note 32, meant that new information became available in relation to the fair value of the Good Energy Group. On 27 January 2025, the offer was announced publicly at £4.90 per share. This changed management's assessment of the recoverable amount used in the impairment review. In obtaining a reliable fair value estimate based on an external valuation of the company under current market conditions, management established that fair value less costs of disposal is higher than value in use. The impairment review was updated accordingly based on management's revised calculation of the recoverable amount. Therefore, the impairment review for the year ended 31 December 2024 was calculated using fair value less cost of disposal as the basis for the recoverable amount. The fair value relates to an offer received pre year end and accepted post year end. The inputs are categorised as Level 3 in the fair value hierarchy.

Good Energy Directors are satisfied that no impairment is required on the Solar and Supply CGUs and that the recoverable amount exceeds the carrying amount with sufficient headroom. The Directors are also satisfied that no material impairment was identified on the impairment assessment of the Heat CGU. As such, no impairment losses have been recognised in the Consolidated Statement of Comprehensive Income for the year ended 31 December 2024.

17. Investments in Associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set out below:

	Principal place of business/ Country of incorporation	Ownership interest	
Name		**2024**	2023
Zapmap Limited	United Kingdom	**49.9%**	49.9%

The primary business of Zapmap Limited is the provision of website, app and services in the electric vehicle sector.

Summarised financial information:

	2024 £000s	2023 £000s
Current assets	**885**	1,895
Non-current assets	**2,882**	2,132
Total assets	**3,767**	4,027
Current liabilities	**(3,026)**	(975)
Non-current liabilities	**(12,837)**	(11,765)
Total liabilities	**(15,863)**	(12,740)
Net liabilities	**(12,096)**	(8,713)

There are no significant restrictions other than those set out in the Companies Act that prevent Zapmap Limited from distributing a dividend.

Notes to the Financial Statements

17. Investments in Associates (continued)

	2024 £000s	2023 £000s
Revenue	**2,293**	1,718
Expenses	**(5,656)**	(6,247)
Loss before income tax	**(3,363)**	(4,529)
Loss after income tax	**(3,363)**	(4,529)

	2024 £000s	2023 £000s
Opening carrying amount	**10,551**	12,578
Share of loss after income tax	**(1,678)**	(2,027)
Closing carrying amount	**8,873**	10,551

18. Inventories

	Parent Company		Consolidated	
	2024 £000s	2023 £000s	2024 £000s	2023 £000s
Renewable Obligation Certificates	**–**	–	**10,669**	10,861
Emission Certificates	**–**	–	**194**	144
Consumables	**–**	–	**3,518**	21
Total	**–**	–	**14,381**	11,026

As at 31 December 2024 there were Renewable Obligation Certificates (ROCs) of £5.6m (2023: £7.2m) 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 financial year. The cost of inventories recognised as an expense, including any impairment value, and included in 'cost of sales' amounted to £11.3m (2023: £12.7m).

19. Trade and Other Receivables

	Parent Company		Consolidated	
	2024 £000s	2023 £000s	2024 £000s	2023 £000s
Gross trade receivables and unbilled receivables	**–**	1	**39,103**	49,211
Provision for impairment/non-payment of trade receivables	**–**	–	**(16,607)**	(18,872)
Net trade receivables and unbilled receivables	**–**	1	**22,496**	30,339
Prepayments and other debtors	**3,218**	743	**5,420**	3,611
Other taxation	**–**	–	**1,750**	1,908
Amounts due from group companies	**10,759**	5,679	**–**	–
Total	**13,977**	6,423	**29,666**	35,858

Where a customer account is in credit this is included in contract liabilities (See note 25 Trade and Other Payables). At 31 December 2024, the contract liabilities balance was £12,655k (2023: £17,389k).

The Group has identified that the amount of accrued income subject to estimation uncertainty is approximately £0.3m.

The Group has a provision in place to set aside an allowance to cover potential impairment and non-payment of trade receivables. An expected credit loss provision has been calculated on trade receivables in accordance with IFRS 9 Financial Instruments. Some trade receivables are customers who do not have externally available credit ratings.

Notes to the Financial Statements

19. Trade and Other Receivables (continued)

The movements on the provision for impairment and non-payment of trade receivables is shown below:

Movement on the provision for impairment and non-payment of trade receivables	**2024 £000s**	2023 £000s
Balance at 1 January	**18,872**	15,428
(Decrease)/Increase in allowance for impairment/non-payment	**(2,265)**	3,444
Balance at 31 December	**16,607**	18,872

Trade receivables 31 December 2024		**Days past due**				
	Current £000s	**<30 days £000s**	**30-60 days £000s**	**61-90 days £000s**	**>91 days £000s**	**Total £000s**
Expected credit loss rate	**5.7%**	**10.5%**	**27.6%**	**43.3%**	**90.4%**	
Estimated total gross carrying amount at default	**10,385**	**3,011**	**1,547**	**802**	**16,499**	**32,244**
Expected credit loss	**593**	**318**	**428**	**347**	**14,921**	**16,607**

Trade receivables 31 December 2023		Days past due				
	Current £000s	<30 days £000s	30-60 days £000s	61-90 days £000s	>91 days £000s	Total £000s
Expected credit loss rate	7.9%	13.9%	28.6%	43.6%	92.1%	
Estimated total gross carrying amount at default	22,153	4,302	1,963	960	16,869	46,247
Expected credit loss	1,759	597	562	419	15,538	18,875

The decrease in the estimated total gross carrying amount at default balance is driven by the decrease in wholesale costs flowing into customer tariffs during 2024. This has resulted in changes to the loss rates applied in the current period vs prior year.

All trade receivables are designated as financial assets measured at amortised cost.

20. Cash and Cash Equivalents

	Parent Company		**Consolidated**	
	2024 £000s	2023 £000s	**2024 £000s**	2023 £000s
Cash at bank and in hand	**765**	1,373	**23,570**	25,319
Short-term bank deposits	**–**	–	**5,000**	16,000
Security deposits	**–**	–	**51**	27
Total	**765**	1,373	**28,621**	41,346

Included within the cash and cash equivalents balance at 31 December 2024 are £7.5m (2023: £13.9m) of customer credit balances.

The credit quality of cash and cash equivalents can be assessed by reference to external credit ratings as follows:

	Parent Company		**Consolidated**	
	2024 £000s	2023 £000s	**2024 £000s**	2023 £000s
AA-	**–**	–	**770**	221
A+	**672**	1,280	**27,158**	40,656
A	**–**	–	**293**	–
A-	**–**	–	**306**	375
B	**93**	93	**94**	94
Total	**765**	1,373	**28,621**	41,346

Cash and cash equivalents are all financial assets designated as financial assets at amortised cost.

21. Share Capital and Share Premium

	Parent Company & Consolidated				
	Number of Authorised shares	Number of shares issued and fully paid	Share Capital £000s	Share Premium Account £000s	Total £000s
At 1 January 2023	20,000,000	16,860,099	844	12,915	13,759
Scrip dividend issued	–	34,031	1	60	61
At 31 December 2023	20,000,000	16,894,130	845	12,975	13,820
Scrip dividend issued	–	25,014	1	68	69
Shares issued on acquisition of subsidiaries	–	1,576,237	79	3,976	4,055
Exercise of share options	–	11,018	1	19	20
At 31 December 2024	**20,000,000**	**18,506,399**	**926**	**17,038**	**17,964**

The ordinary shares are the only class of shares in the Company. Holders of ordinary shares are entitled to vote at general meetings of the Company and receive dividends as declared. The Articles of Association of the Company do not contain any restrictions on the transfer of shares or on voting rights.

In 2024, the Company issued 25,014 (2023: 34,031) ordinary shares of 5p each in settlement of scrip dividends for a total exercise consideration of £69,605.

In 2024, the Company issued 1,322,000 new ordinary shares of 5p each as part of the acquisition consideration for the JPS Group and 254,237 new ordinary shares of 5p each as part of the acquisition consideration for Empower.

22. Deferred Taxation

The provision for deferred taxation is made up as follows:

Consolidated	**2024 £000s**	2023 £000s
At 1 January	**(131)**	(162)
Charged to the Consolidated Statement of Comprehensive Income	**11**	48
Deferred tax impact of amortisation movement on intangible assets acquired	**(189)**	13
Acquisition of subsidiaries	**769**	209
Charged to equity	**–**	(239)
At 31 December	**460**	**(131)**

Deferred tax assets	**2024 £000s**	2023 £000s
On short term timing differences	**17**	16
Losses	**6**	38
Share based payments	**430**	270
On accelerated capital allowances	**–**	16
Total	**453**	340

Deferred tax liabilities	**2024 £000s**	2023 £000s
Arising on recognition of intangible assets acquired	**(788)**	(209)
On accelerated capital allowances	**(125)**	–
Total	**(913)**	**(209)**

22. Deferred Taxation (continued)

	Accelerated capital allowances £000s	Acquisition of subsidiary £000s	Short-term timing differences £000s	Losses £000s	Share based payment £000s	Total £000s
Deferred tax assets/(liabilities)						
At 1 January 2023	**42**	**–**	**54**	**66**	**–**	**162**
(Charged)/credited to the statement of comprehensive income	(26)	–	(38)	(28)	31	(61)
Acquisition of subsidiary	–	(209)	–	–	–	(209)
Charged to equity	–	–	–	–	239	239
At 31 December 2023	**16**	**(209)**	**16**	**38**	**270**	**131**
(Charged)/credited to the statement of comprehensive income	(141)	–	2	(32)	160	(11)
Acquisition of subsidiaries	–	(580)	–	–	–	(580)
At 31 December 2024	**(125)**	**(789)**	**18**	**6**	**430**	**(460)**

Amounts charged to equity in the prior year represent an increase in the share price of Good Energy Group PLC during 2023 driving an uplift in the value of share options awarded to employees since the date of grant. No such amounts have been charged to equity in the current year as the share based payment expense recognised in 2024 is attributable to employment services as opposed to share price movements.

Deferred tax on losses incurred pre 1 April 2017 has only been recognised to the extent that the relevant companies which incurred the losses have sufficient tax liabilities available for offset. Should deferred tax be recognised on all such losses, the deferred tax asset and profit after tax would increase by £547,829 (2023: £731,574) relating to losses of £2,191,317 (2023: £2,926,295).

23. Borrowings

	Parent Company		Consolidated	
	2024 £000s	2023 £000s	**2024 £000s**	2023 £000s
Current:				
Bank loans	**–**	–	**–**	10
Corporate bond	**186**	215	**186**	215
Lease liabilities	**–**	–	**374**	306
Total	**186**	215	**560**	531

	Parent Company		Consolidated	
	2024 £000s	2023 £000s	**2024 £000s**	2023 £000s
Non-current:				
Bank loans	**–**	–	**79**	15
Corporate bond	**4,125**	4,726	**4,125**	4,726
Lease liabilities	**–**	–	**1,157**	946
Total	**4,125**	4,726	**5,361**	5,687

Notes to the Financial Statements

23. Borrowings (continued)

The current portion of the bond repayment represents the interest accrued and the amount of principal repayments requested prior to the year end. The latest redemption request deadline was in December 2024, for repayment of the remaining bond in June 2025.

The bank loan is in relation to a Government-backed Bounce Back loan held by Good Energy Solar (South West) Limited.

Parent company	**Bond £000s**	Total £000s
At 31 December 2024		
Due less than 1 year	**186**	186
Due between 1 and 5 years	**4,125**	4,125
Total	**4,311**	4,311

Parent company	**Bond £000s**	Total £000s
At 31 December 2023		
Due less than 1 year	**215**	215
Due between 1 and 5 years	**4,726**	4,726
Total	**4,941**	**4,941**

The maturity profit of the bond is included in note 3.1.1.

Consolidated	**Bank loans £000s**	**Bond £000s**	**Lease liabilities £000s**	**Total £000s**
At 31 December 2024				
Due less than 1 year	**–**	**186**	**374**	**560**
Due between 1 and 5 years	**79**	**4,125**	**1,157**	**5,361**
Total	**79**	**4,311**	**1,531**	**5,921**

Consolidated	Bank loans £000s	Bond £000s	Lease liabilities £000s	Total £000s
At 31 December 2023				
Due less than 1 year	10	215	306	531
Due between 1 and 5 years	15	4,726	946	5,687
Total	**25**	**4,941**	**1,252**	**6,218**

The fair values of borrowings have been calculated taking into account the interest rate risk inherent in the bond.

The fair value estimates and carrying values of borrowings (excluding issue costs) in place at 31 December 2024 are:

	2024 Fair value £000s	**2024 Carrying value £000s**	2023 Fair value £000s	2023 Carrying value £000s
Corporate bond	**4,506**	**4,311**	4,833	4,449

Borrowings are designated as other financial liabilities held at amortised cost. The carrying amount is a reasonable approximation of fair value for all remaining financial assets and liabilities held by the Group.

The corporate bond is categorised as Level 1 in the fair value hierarchy as this is based on quoted prices in an active market.

Notes to the Financial Statements

24. Changes in Liabilities arising from Financing Activities

Consolidated	1 January 2024 £000s	Cash flows £000s	Interest £000s	New Leases £000s	New Loans £000s	31 December 2024 £000s
Current interest-bearing loans and borrowings	**225**	**(617)**	**578**	**–**	**–**	**186**
Non-current interest-bearing loans and borrowings	**4,741**	**–**	**(591)**	**–**	**54**	**4,204**
Current lease obligations	**306**	**(384)**	**63**	**389**	**–**	**374**
Non-current lease obligations	**946**	**–**	**–**	**211**	**–**	**1,157**
Total liabilities from financing activities	**6,218**	**(1,001)**	**50**	**601**	**54**	**5,921**

The Group classifies interest paid as cash flows from operating activities.

Parent company	1 January 2024 £000s	Cash flows £000s	Interest £000s	Other £000s	31 December 2024 £000s
Current interest-bearing loans and borrowings	215	–	–	(29)	186
Non-current interest-bearing loans and borrowings	4,726	(234)	(396)	29	4,125
Total liabilities from financing activities	**4,941**	**(234)**	**396**	**–**	**4,311**

The 'Other' column includes the effect of reclassification of the non-current portion of interest-bearing loans and borrowings. The Group classifies interest paid as cash flows from operating activities.

25. Trade and Other Payables

	Parent Company		Consolidated	
	2024 £000s	2023 £000s	**2024 £000s**	2023 £000s
Trade payables	**(4)**	22	**6,391**	2,090
Accruals	**1,487**	706	**34,542**	41,497
Social security and other taxes	**–**	–	**3,316**	498
Corporation tax	**–**	–	**648**	2,228
Amounts due to group companies	**25,502**	603	**–**	–
Contract liabilities	**–**	–	**12,655**	17,389
Total	**26,985**	1,331	**57,552**	63,702

Trade payables, accruals and other payables are designated as other financial liabilities held at amortised cost. The accruals include liabilities such as the ROC accruals for the current compliance period, unbilled transmission network charges and the Group's FIT pot contribution.

All of the contract liabilities in 2023 as shown above were recognised as revenue in 2024. Contract liabilities arise when a customer account is in credit. The reduction in contract liabilities in the current period vs prior year is the result of a proactive exercise by the Group during 2024 to reduce customer credit balances following a material increase in 2023 due to rapid increases and then decreases in wholesale costs and associated tariffs.

26. Dividends Paid

Consolidated	**2024 £000s**	2023 £000s
Final dividend for prior year of 2.25p per share (2023: 2p)	**415**	336
Interim dividend for prior year of 1.1p per share (2023: 1p)	**200**	169
Total	**615**	505

Of the total dividend distributed for the year, £69,605 (2023: £60,286) was paid in the form of scrip dividends with a balance of £546,287 (2023: £444,913) settled in cash.

Notes to the Financial Statements

27. Cash Generated from Operations

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

	Parent Company		Consolidated	
	2024 £000s	2023 £000s	**2024 £000s**	2023 £000s
Profit before income tax	**244**	263	**6,590**	5,683
Adjustments for:				
Depreciation of PPE and RoU assets	**–**	–	**704**	616
Amortisation & impairment of intangibles	**–**	–	**798**	478
Share based payments	**468**	341	**468**	341
Gain on closure of Employee Benefit Trust	**–**	(43)	**–**	(43)
Loss on asset disposals	**–**	–	**(31)**	15
Share of loss of associate	**–**	–	**1,678**	2,027
Dividend income from subsidiaries	**(3,000)**	(2,000)	**–**	–
Other finance income – net	**(716)**	(422)	**(1,366)**	(576)
Impairment of subsidiary	**485**	–	**–**	–
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation)				
Inventories	**–**	–	**149**	(1,882)
Trade and other receivables	**15,920**	2,467	**9,171**	22,347
Transfers (to)/from restricted deposit accounts	**–**	–	**(1,697)**	2,550
Trade and other payables	**6,111**	(111)	**(8,211)**	(10,923)
Cash inflow from operations	**19,512**	495	**8,253**	20,634

28. 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. During the year costs of £468,000 (2023: £341,000) in respect of these options have been recognised in the Consolidated Statement of Comprehensive Income. As at 31 December 2024, the following options had been issued:

	Number of options		Weighted average exercise price		Total exercise consideration	
	2024 Number	2023 Number	**2024 £**	2023 £	**2024 £000s**	2023 £000s
Outstanding at beginning of year	**1,586,117**	878,307	**1.87**	2.23	**2,961**	1,956
Granted	**405,313**	840,288	**2.23**	1.49	**904**	1,252
Exercised	**(74,809)**	(60,000)	**1.78**	1.25	**(133)**	(75)
Cancelled/surrendered	**(139,647)**	(72,478)	**2.30**	2.37	**(321)**	(172)
Outstanding at the end of year	**1,776,974**	1,586,117	**1.92**	1.87	**3,411**	2,961

The fair value of the share options granted during the year were measured using the black scholes model with the following inputs:

- Weighted average fair value at the measurement date: £1.28
- Exercise price: £2.23
- Expected life of share options: 3 years
- Annual risk free interest rate: 4.661%
- Expected volatility: 58.3%

Notes to the Financial Statements

28. Share-Based Payments (continued)

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Grant-vest	Expiry year	Exercise price in £ per share options	Share options (thousands) 2024	2023
2015-2018	2018	2.25	**50**	50
2021-2022	2023	1.78	**–**	75
2021-2024	2025	2.51	**156**	226
2022-2025	2026	2.27	**359**	395
2023-2026	2027	1.49	**807**	840
2024-2028	2028	2.23	**405**	–
			1,777	**1,586**

There were 405,313 share options granted in the current year. The right to exercise share options expires in line with contractual agreements between the Group and the holder made at grant date, or varied by agreement with both the Group and the holder.

See note 8 for the total expense recognised in the Income Statement for share options granted to Directors and employees.

29. Business Combinations

On 12 February 2024, the Group acquired 100% of the issued share capital of JPS Group, a specialist solar and storage installation and distribution business for consideration of £7.0m.

On 4 October 2024, the Group acquired 100% of the issued share capital of Amelio Enterprises Limited, a solar installation company for consideration of £6.1m.

On 28 October 2024, the Group acquired 100% of the issued share capital of Empower Energy Limited, a commercial focused solar installation company for consideration of £9.7m.

Building on its acquisition of Good Energy Solar (South West) Limited (formerly Wessex ECOEnergy Limited) in June 2023, these acquisitions strengthen Good Energy's service offering and accelerates the Company's energy services growth strategy.

	JPS Group		Amelio		Empower		Total	
	Book value £000s	Fair value £000s	Book value £000s	Fair value £000s	Book value £000s	Fair value £000s	Book value £000s	Fair value £000s
Property, plant and equipment	500	500	351	351	996	996	**1,847**	**1,859**
Intangible assets	–	713	12	625	–	967	**12**	**2,293**
Inventories	1,067	1,067	337	337	2,098	2,098	**3,502**	**3,502**
Receivables	1,797	1,797	911	911	352	352	**3,060**	**3,060**
Cash	284	284	245	245	2,632	2,632	**3,161**	**3,161**
Payables	(1,313)	(1,313)	(514)	(514)	(1,302)	(1,302)	**(3,129)**	**(3,129)**
Borrowings	(1,278)	(1,278)	(74)	(74)	(1,014)	(1,014)	**(2,366)**	**(2,366)**
Deferred tax liability	(168)	(399)	(62)	(228)	214	(42)	**(16)**	**(669)**
Total identifiable net assets	889	1,371	1,206	1,653	3,976	4,687	**6,071**	**7,711**

Notes to the Financial Statements

29. Business Combinations (continued)

Fair value of consideration paid:

	JPS Group £000s	Amelio £000s	Empower £000s
Total identifiable net assets at fair value	1,371	1,653	4,687
Goodwill	5,637	4,475	4,980
Consideration	7,008	6,128	9,667

Total consideration net of £3.2m cash acquired was £19.6m.

The fair value of trade receivables at the acquisition date is £834,638, £718,645 and £321,511 for JPS Group, Amelio and Empower respectively. The gross contractual amount for trade receivables due is £834,638, £718,645 and £321,511 for JPS Group, Amelio and Empower respectively. All amounts are expected to be collected.

Fair value of consideration paid:

	JPS Group £000s	Amelio £000s	Empower £000s
Cash	3,858	6,128	8,917
Shares	3,150	–	750
Total consideration	**7,008**	**6,128**	**9,667**
Goodwill	5,637	4,475	4,980

The main factor leading to the recognition of goodwill is the presence of certain intangible assets, such as the assembled workforce of the acquired entity, which do not qualify for separate recognition. The goodwill recognised will not be deductible for tax purposes.

Acquisition costs of £436,812, £228,313 and £232,948 arose as a result of the JPS Group, Amelio and Empower transactions respectively. These have been recognised as part of administrative expenses in the consolidated statement of comprehensive income. No issue costs have been recognised in respect of the transaction.

The results of the subsidiaries since their acquisition are as follows:

	JPS Group £	**Amelio £**	**Empower £**
Turnover	10,161,074	1,075,391	1,694,287
(Loss)/profit	(1,182,191)	(17,795)	312,439

Since the acquisition date, JPS Group has contributed £10,161,074 to Group revenues and a loss of £1,182,191 to the Group's results. If the acquisition had occurred on 1 January 2024 Good Energy Group's revenue would have been £181,776,927 and Group profit for the year would have been £4,795,104.

Since the acquisition date, Amelio has contributed £1,075,391 to Group revenues and a loss of £17,795 to the Group's results. If the acquisition had occurred on 1 January 2024 Good Energy Group's revenue would have been £184,659,867 and Group profit for the year would have been £4,927,729.

Since the acquisition date, Empower has contributed £1,694,287 to Group revenues and a profit of £312,439 to the Group's results. If the acquisition had occurred on 1 January 2024 Good Energy Group's revenue would have been £180,925,380 and Group profit for the year would have been £4,998,200.

Notes to the Financial Statements

30. Pensions

The Group operates a defined contribution 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 £960,000 (2023: £727,000).

Total contributions of £207,000 (2023: £126,000) were payable to the fund at the end of the financial year 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.

31. Related Party Transactions

During the year the Group recognised £527k (2023: £463k) in respect of preference dividends due from irredeemable preference shares held in Zapmap Limited. The cumulative amount of £1,195k (2023: £668k) was unpaid at the year end and is included within trade and other receivables.

32. Subsequent Events

On 27 January 2025, the boards of Good Energy and Esyasoft Investment Holding RSC Limited ("Esyasoft") announced that they had reached agreement on the terms of a recommended all cash acquisition of the entire issued and to be issued ordinary share capital of Good Energy (the "Acquisition").

On 18 February 2025, the boards of Good Energy and Esyasoft announced that Esyasoft has determined, with consent of Good Energy and the Takeover Panel, to implement the Acquisition by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (the "Scheme").

The Court Meeting and General Meeting were held on 13 March 2025 at which time the offer was approved by shareholders.

The scheme become effective on 9 April 2025, when Esyasoft announced that they had acquired Good Energy's entire issued share capital for 490 pence carrying not less than 75 percent of the voting rights. Accordingly, with effect from the 9 April 2025, Esyasoft controls the Company.

Esyasoft had acquired 100% of the Company's shares by 9 April 2025. Esyasoft's immediate parent company is Sirius International Holding Limited, registered address Al Halawi Street, Ministries Complex, Abu Dhabi, UAE. The ultimate controlling party of the Group is Royal Group Holding LLC.

On 9 April 2025, the listing of the Company's shares on the London Stock Exchange's AIM market, was cancelled.

33. Subsidiary Undertakings Exempt from Audit

Good Energy Group PLC has provided the necessary parental guarantees under Section 479A of the Companies Act 2006, to enable the following companies exemption from audit:

Directly held subsidiaries:

Good Energy Tidal Limited

Good Energy Services Limited

JPS Renewable Energy Ltd

Empower Energy Limited

Indirectly held subsidiaries:

Good Energy Cedar Windfarm Limited

Good Energy Works Limited

Good Energy Solar (South West) Limited

Amelio Enterprises Limited

Trust Solar Wholesale Ltd

Company information

Directors

Francoise Woodward

Rupert Sanderson

Nigel Pocklington

William Whitehorn (resigned 9th April 2025)

Emma Tinker (resigned 9th April 2025)

Nemone Wynn-Evans (resigned 9th April 2025)

Tim Jones (resigned 9th April 2025)

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