Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position if, and only if, there is currently an enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair value of financial instruments
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques that are recognized by market participants. Such techniques may include using recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, or other valuation models. An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 15.

Revenue recognition
Revenue is recognized when significant risks and rewards of ownership are transferred to the customer. In the case of gas and electricity, transfer of risks and rewards is upon consumption of the commodity. Just Energy recognizes revenue from thermostat leases, based on rental rates over the term commencing from the installation date.

Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes.

The Company assumes credit risk for all customers in Alberta, Illinois, Texas, Michigan, California, Georgia, Delaware, Ohio, the U.K. and for certain large-volume customers in British Columbia. In these markets, the Company ensures that credit review processes are in place prior to the commodity flowing to the customer.

Foreign currency translation
Functional and presentation currency
Items included in the consolidated financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). For U.S.-based subsidiaries, this is U.S. dollars ("USD"); for subsidiaries based in the U.K., it is British pounds ("GBP"), and for subsidiaries based in Germany and Ireland it is Euros ("EUR"). The consolidated financial statements are presented in Canadian dollars, which is the parent Company's presentation and functional currency.

Transactions
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of income.

Translation of foreign operations
The results and consolidated financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position; and
- income and expenses for each consolidated statement of income are translated at the exchange rates prevailing at the dates of the transactions.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are recorded in other comprehensive income ("OCI").

When a foreign operation is partially disposed of or sold, exchange differences that were recorded in accumulated other comprehensive income are recognized in the consolidated statements of income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Earnings per share amounts
The computation of earnings per share is based on the weighted average number of shares outstanding during the year. Diluted earnings per share are computed in a similar way to basic earnings per share except that the weighted average number of shares outstanding is increased to include additional shares assuming the exercise of stock options, restricted share grants ("RSGs"), performance bonus incentive grants ("PBGs"), deferred share grants ("DSGs") and convertible debentures, if dilutive.

Share-based compensation plans

Equity-based compensation liability

Share-based compensation are equity-settled transactions. The cost of share-based compensation is measured by reference to the fair value at the date on which it was granted. Awards are valued at the grant date and are not adjusted for changes in the prices of the underlying shares and other measurement assumptions. The cost of equity-settled transactions is recognized, together with the corresponding increase in equity, over the period in which the performance or service conditions are fulfilled, ending on the date on which the relevant grantee becomes fully entitled to the award. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting period reflects the extent to which the vesting period has expired and Just Energy's best estimate of the number of the shares that will ultimately vest. The expense or credit recognized for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

When options, RSGs, PBGs and DSGs are exercised or exchanged, the amounts previously credited to contributed surplus are reversed and credited to shareholders' capital.

Employee future benefits

In Canada, Just Energy offers a long-term wealth accumulation plan (the "Plan") for all permanent full-time and permanent part-time employees (working more than 26 hours per week).The Plan consists of two components, a Deferred Profit Sharing Plan ("DPSP") and an Employee Profit Sharing Plan ("EPSP"). For participants of the DPSP, Just Energy contributes an amount equal to a maximum of 2% per annum of an employee's base earnings. For the EPSP, Just Energy contributes an amount up to a maximum of 2% per annum of an employee's base earnings towards the purchase of shares of Just Energy, on a matching one-for-one basis.

For U.S. employees, Just Energy has established a long-term savings plan (the "Plan") for all permanent full-time and part-time employees (working more than 30 hours per week) of its subsidiaries. The Plan consists of two components, a 401(k) and an Employee Unit Purchase Plan ("EUPP"). For participants who are enrolled only in the EUPP, Just Energy contributes an amount up to a maximum of 3% per annum of an employee's base earnings towards the purchase of Just Energy shares, on a matching one-for-one basis. For participants who are enrolled only in the 401(k), Just Energy contributes an amount up to a maximum of 4% per annum of an employee's base earnings, on a matching one-for-one basis. In the event an employee participates in both the EUPP and 401(k), the maximum Just Energy will contribute is 5% total, comprising of 3% to the EUPP and 2% to the 401(k).

Participation in the plans in Canada or the U.S. is voluntary. For the 401(k), there is a two-year vesting period beginning from the date of hire, and for the EUPP, there is a six-month vesting period from the employee's enrollment date in the plan.

Obligations for contributions to the Plan are recognized as an expense in the consolidated statements of income when the employee makes a contribution.

Income taxes

Current income tax assets and liabilities for the current and prior periods 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 the amount are those that are enacted or substantively enacted at the reporting date in the countries where Just Energy operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations where applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Just Energy follows the liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are recognized for the estimated tax consequences attributable to the temporary differences between the carrying value of the assets and liabilities in the consolidated financial statements and their respective tax bases.

Deferred tax liabilities are recognized for all taxable temporary differences except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled by the parent and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses, can be utilized except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognized in cumulative translation adjustment or equity is recognized in cumulative translation adjustment or equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Provisions
Provisions are recognized when Just Energy has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where Just Energy expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statements of income, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in the consolidated statements of income.

Selling and marketing expenses
Commissions and various other costs related to obtaining and renewing customer contracts are charged to income in the period incurred except as disclosed below:

Commissions related to obtaining and renewing Commercial customer contracts are paid in one of the following ways: all or partially up front or as a residual payment over the term of the contract. If the commission is paid all or partially up front, it is recorded as prepaid expenses and expensed in selling and marketing expenses over the term for which the associated revenue is earned. If the commission is paid as a residual payment, the amount is expensed as earned.

In addition, commissions related to leasing thermostats are capitalized as part of the cost of the equipment.

Green provision and certificates
Just Energy is a retailer of green energy and records a provision to its regulators as green energy sales are recognized. A corresponding cost is included in cost of sales. Just Energy measures its provision based on the extent of green certificates that it holds or has committed to purchase and has recorded this obligation net of its green certificates. Any provision balance in excess of the green certificates held or that Just Energy has committed to purchase is measured at fair value. Green certificates are purchased by Just Energy to settle its obligation with the regulators.

Non-current assets held-for-sale and discontinued operations
Just Energy classifies non-current assets and disposal groups as held-for-sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held-for-sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for the held-for-sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statements of income. Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held-for-sale.

5 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements requires the use of estimates and assumptions to be made in applying the accounting policies that affect the reported amounts of assets, liabilities, income, expenses and the disclosure of contingent liabilities. The estimates and related assumptions are based on previous experience and other factors considered reasonable under the circumstances, the results of which form the basis for making the assumptions about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised. Judgments made by management in the application of IFRS that have a significant impact on the consolidated financial statements relate to the following:

Business combinations
In accounting for business combinations, judgment is required in estimating the acquisition date fair values of the identifiable assets acquired (including intangible assets) and liabilities assumed (including contingent liabilities). The necessary measurements are based on information available on the acquisition date and expectations and assumptions that have been deemed reasonable by management. During the measurement period (which is within one year from the acquisition date), Just Energy may adjust the amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Refer to Note 4 for further details.

Impairment of non-financial assets
Just Energy's impairment test is based on fair value less costs to sell calculations that use the EBITDA multiple model. The EBITDA is derived from actual figures and the EBITDA multiple is sourced from external sources of information.

Deferred taxes
Significant management judgment is required to determine the amount of deferred tax assets and liabilities that can be recognized, based upon the likely timing and the level of future taxable income realized, including the usage of tax-planning strategies.

Useful life of key property, plant and equipment and intangible assets
The amortization method and useful lives reflect the pattern in which management expects the assets' future economic benefits to be consumed by Just Energy.

Provisions for litigation
Significant management judgment is required to determine the amount of provisions to record a liability relating to litigation.

Provisions are recognized when Just Energy has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in the consolidated statements of income. Refer to Note 20 for further information.

Trade receivables
Just Energy reviews its individually significant receivables at each reporting date to assess whether an impairment loss should be recorded in the consolidated statements of income. In particular, judgment by management is required in the estimation of the amount and timing of future cash flows when determining the allowance for doubtful accounts. In estimating these cash flows, Just Energy makes judgments about the borrower's financial situation and the fair value of collateral. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Fair value of financial instruments
Where the fair values of financial assets and financial liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, they are determined using valuation techniques including discounted cash flow models or transacted/quoted prices of identical assets that are not active. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgment includes consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer to Note 15 for further details about the assumptions as well as a sensitivity analysis.

Subsidiaries
Subsidiaries that are not wholly owned by Just Energy require judgment determining the amount of control that Just Energy has over that entity and the appropriate accounting treatments. In these consolidated financial statements, management has determined that Just Energy controlled Just Ventures until July 31, 2017, and therefore has treated the 50% that is not owned by Just Energy as a non-controlling interest until July 31, 2017. Refer to Note 18 for further details on change in control during fiscal 2018. Just Energy also owns 95% of the issued and outstanding shares of db swdirekt GmbH ("SWDirekt"), and 51% of the issued and outstanding shares of db swpro GmbH ("SWPro"), and therefore has treated the 5% and 49% that is not owned by Just Energy as a non-controlling interest.

6 ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the consolidated financial statements are disclosed below. Just Energy intends to adopt these standards, if applicable, when they become effective.

IFRS 9, Financial Instruments ("IFRS 9"), was issued by the IASB on July 24, 2014, and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Two measurement categories continue to exist to account for financial liabilities in IFRS 9, fair value through profit or loss ("FVTPL") and amortized cost. Financial liabilities held-for-trading are measured at FVTPL, and all other financial liabilities are measured at amortized cost unless the fair value option is applied. The treatment of embedded derivatives under the new standard is consistent with IAS 39 and is only applied to financial liabilities. IFRS 9 uses a new expected loss impairment model and also uses a new model for hedge accounting aligning the accounting treatment with

risk management activities. The measurement of impairment of financial assets is based on an expected credit loss model. It is no longer necessary for a triggering event to have occurred before credit losses are recognized. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

As part of the implementation of IFRS 9, the Company has established a transition team to implement the accounting system, process and internal control changes that result from the new standard. The new impairment and classification and measurement requirements will be applied by adjusting the Company's consolidated financial statements on April 1, 2018, the date of initial application, with no restatement of comparative period financial information.

The transition team has assessed the impact of IFRS 9 on the consolidated financial statements and has determined that the adoption of IFRS 9 will enhance disclosure requirements and is expected to increase the deficit as at April 1, 2018, primarily due to the increases in the expected lifetime credit losses for the Company's contract assets, as well as trade and other receivables. Contract assets such as unbilled revenues are required to be tested for impairment under IFRS 9. As a result, the increase to the expected lifetime credit losses is expected to be approximately $11.0 million to $14.0 million, net of taxes. The investment in ecobee will be classified as fair value through profit or loss, instead of as available-for-sale. Further gains and losses related to the investment in ecobee will go through the statement of income instead of other comprehensive income. The Company will continue to revise, refine and validate the impairment models and related process controls leading up to the June 30, 2018 reporting.

IFRS 15, Revenue from Contracts with Customers ("IFRS 15"), was jointly issued by the IASB and the Financial Accounting Standards Board, effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted. IFRS 15 outlined a single comprehensive model to account for revenue arising from contracts with customers and will replace the majority of existing IFRS requirements on revenue recognition including IAS 18, Revenue. The core principle of IFRS 15 is to recognize revenue to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard provides a single, principles-based five-step model that will apply to revenue earned from a contract with a customer, regardless of the type of revenue transaction or industry. The standard will also provide guidance on the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities. The standard also specifies that direct incremental costs of obtaining and fulfilling a contract that are expected to be recovered should be capitalized and amortized over the expected contract term. Disclosure requirements will increase, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgments and estimates made. Just Energy will be implementing IFRS 15, using the modified retrospective approach where IFRS 15 will be applied to 2019 results, beginning April 1, 2018 without restating comparative periods.

Management has appointed an IFRS 15 transition team to assess the financial statement impact of IFRS 15. The transition team has assessed the impact of IFRS 15 on the consolidated financial statements and its revenue recognition policies and has determined that the capitalization of direct incremental costs paid on all active contracts existing as at March 31, 2018 will result in an increase in the opening retained earnings in the range of $18.0 million to $22.0 million, net of taxes. The standard specifies that an entity recognizes revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. Depending on whether certain criteria are met, revenue is recognized either over time, in a manner that depicts the entity's performance, or at a point in time, when control is transferred to the customer. The transition team also assessed Just Energy's revenue streams and underlying contracts with customers. The majority of revenues within the scope of IFRS 15 are earned through the sale of gas and electricity and other value added products. We have not identified any significant differences in the timing or amount of recognition of revenue as a result of IFRS 15, and therefore the changes to revenue earned on customer contracts is not expected to be significant. Additional disclosure, however, will be required on the disaggregation of revenue. The transition team is currently assessing how revenues will be disaggregated to meet the new disclosure requirement. Transition adjustments will be disclosed in the Q1 2019 interim condensed consolidated financial statements.

Amendments to IFRS 2, Share-based Payment ("IFRS 2"), clarify how to account for certain types of share-based payment transactions. IFRS 2 stipulates new conditions on the accounting for three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and the accounting of a modification to the terms and conditions of a share-based payment that changes the transaction from cash-settled to equity-settled. IFRS 2 is applied prospectively; retroactive application is only permitted if the application can be performed without using hindsight. Requirements to apply IFRS 2 are effective for annual periods beginning on or after January 1, 2018. Management has appointed an IFRS 2 transition team to assess the financial statement impact of IFRS 2. The transition team will implement the accounting system, process and internal control changes that result from the new standard.

IFRS 16, Leases ("IFRS 16"), was issued by the IASB in January 2016. This guidance brings most leases onto the balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting remains largely unchanged and the distinction between operating and finance leases is retained. Furthermore, per the standard, a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly, and the liability accrues interest. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease. Lessees are permitted to make an accounting policy election, by class of underlying asset, to apply a method like IAS 17's operating lease accounting and not recognize lease

assets and lease liabilities for leases with a lease term of 12 months or less, and on a lease-by-lease basis, to apply a method similar to current operating lease accounting to leases for which the underlying asset is of low value. IFRS 16 supersedes IAS 17, Leases, and its related Interpretations, and is effective for periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 has also been applied. Just Energy has not yet assessed the impact of this standard.

7 SHORT-TERM INVESTMENTS

	As at March 31, 2018	As at March 31, 2017
Fixed income	$ -	$ 23,872
Equities	-	2,383
	$ -	$ 26,255

8 RESTRICTED CASH

As part of the disposal of the Commercial Solar division on November 5, 2014, Just Energy was required to transfer cash into restricted bank accounts. The Company has indemnified the buyer for certain obligations. The cash will be released as these obligations are satisfied. As of March 31, 2018, these restricted cash balances were $3,515 (2017 - $3,620).

9 TRADE AND OTHER RECEIVABLES

	As at March 31, 2018	As at March 31, 2017
Trade account receivables, net	**$ 332,083**	$ 288,255
Accrued gas receivable	**15,893**	16,352
Other	**47,754**	64,884
	$ 395,730	$ 369,491

10 PREPAID EXPENSES, DEPOSITS AND OTHER CURRENT ASSETS

	As at March 31, 2018	As at March 31, 2017
Prepaid expenses and deposits	**$ 64,752**	$ 62,087
Green certificates	**42,230**	49,236
Gas delivered in excess of consumption	**2,715**	3,232
	$ 109,697	$ 114,555

11 INVESTMENTS

(a) On August 10, 2012, Just Energy, through a subsidiary, acquired an interest in ecobee, a private company that designs, manufactures and distributes smart thermostats, for an amount of $6.4 million. During the fiscal year 2017, Just Energy further increased its investment in the company by $5.4 million. The Company markets these smart thermostats in all its core markets, bundling the thermostats with commodity and home service products. As at March 31, 2018, Just Energy owns approximately 8.5% of ecobee. Previously, this investment was measured at cost as fair value could not be measured reliably. This investment is measured at fair value and is classified as available-for-sale. The fair value of the investment has been determined directly from transacted/quoted prices of identical assets that are not active (Level 2 measurement). During the year ended March 31, 2018, the fair value of the investment increased by $20.6 million (2017 - $nil).

(b) Just Energy has an instrument that is convertible upon the option of the holder into an equity investment in Energy Earth, a private company that offers products related to the conservation of natural resources. This investment is designated as fair value through profit or loss. The fair value of the investment has been determined by reference to direct inputs other than quoted prices that are observable for the asset (Level 2 measurement). During the year ended March 31, 2018, the fair value of the investment increased by $1.3 million (2017 - $nil) to $3.9 million (2017 - $nil).

12 PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2018

	Computer equipment	Furniture and fixtures	Office equipment	Thermo-stats	Leasehold improve-ments	Total
Cost:						
Opening balance – April 1, 2017	$ 18,672	$ 6,774	$ 14,947	$ 13,471	$ 4,517	$ 58,381
Additions	3,561	147	352	387	391	4,838
Retirements	–	–	–	(517)	–	(517)
Exchange differences	(60)	(60)	(90)	(103)	(14)	(327)
Ending balance, March 31, 2018	22,173	6,861	15,209	13,238	4,894	62,375
Accumulated depreciation:						
Opening balance – April 1, 2017	(11,600)	(4,776)	(10,095)	(7,713)	(2,515)	(36,699)
Depreciation charge to cost of sales	–	–	–	(3,116)	–	(3,116)
Depreciation charge for the year	(2,431)	(262)	(745)	–	(677)	(4,115)
Retirements	–	–	–	208	–	208
Exchange differences	47	43	64	66	20	240
Ending balance, March 31, 2018	(13,984)	(4,995)	(10,776)	(10,555)	(3,172)	(43,482)
Net book value, March 31, 2018	$ 8,189	$ 1,866	$ 4,433	$ 2,683	$ 1,722	$ 18,893

As at March 31, 2017

	Computer equipment	Furniture and fixtures	Vehicles	Office equipment	Thermo-stats	Leasehold improve-ments	Total
Cost:							
Opening balance – April 1, 2016	$ 19,494	$ 7,300	$ 6	$ 23,157	$ 12,792	$ 8,913	$ 71,662
Additions	3,651	788	–	1,142	1,213	1,521	8,315
Retirements	(4,531)	(1,493)	(6)	(9,649)	(594)	(6,046)	(22,319)
Exchange differences	58	179	–	297	60	129	723
Ending balance, March 31, 2017	18,672	6,774	–	14,947	13,471	4,517	58,381
Accumulated depreciation:							
Opening balance – April 1, 2016	(11,968)	(5,544)	(6)	(16,314)	(4,985)	(7,800)	(46,617)
Depreciation charge to cost of sales	–	–	–	–	(2,974)	–	(2,974)
Depreciation charge for the year	(2,426)	(409)	–	(3,183)	–	(561)	(6,579)
Retirements	4,531	1,493	6	9,649	281	6,046	22,006
Exchange differences	(1,737)	(316)	–	(247)	(35)	(200)	(2,535)
Ending balance, March 31, 2017	(11,600)	(4,776)	–	(10,095)	(7,713)	(2,515)	(36,699)
Net book value, March 31, 2017	$ 7,072	$ 1,998	$ –	$ 4,852	$ 5,758	$ 2,002	$ 21,682

13 INTANGIBLE ASSETS

As at March 31, 2018

	Goodwill	Brand	Technology[1]	Customer relation-ships	Sales networks and affinity relation-ships	Other	Total
Cost:							
Opening balance – April 1, 2017	$289,201	$ 31,154	$ 48,525	$ –	$ 53,595	$ –	$422,475
Acquisition of a subsidiary	14,699	–	1,409	17,387	–	347	33,842
Additions	–	–	30,938	–	–	–	30,938
Exchange differences	(3,227)	(949)	(471)	640	(1,632)	148	(5,491)
Ending balance, March 31, 2018	300,673	30,205	80,401	18,027	51,963	495	481,764
Accumulated amortization:							
Opening balance – April 1, 2017	–	–	(27,641)	–	(36,847)	–	(64,488)
Amortization charge for the year	–	–	(8,924)	(1,309)	(6,466)	–	(16,699)
Exchange differences	–	–	256	–	1,093	–	1,349
Ending balance, March 31, 2018	–	–	(36,309)	(1,309)	(42,220)	–	(79,838)
Net book value, March 31, 2018	$300,673	$ 30,205	$ 44,092	$ 16,718	$ 9,743	$ 495	$401,926

1 Technology includes work-in-progress IT projects of $19.8 million.

As at March 31, 2017

	Gas contracts	Electricity contracts	Goodwill	Brand	Technology	Sales network and affinity relationships	Total
Cost:							
Opening balance - April 1, 2016	$ 122,010	$ 320,185	$280,513	$ 30,423	$ 83,876	$160,243	$ 997,250
Retirements	(123,204)	(331,335)	–	–	(55,296)	(111,578)	(621,413)
Acquisition of a subsidiary	–	–	6,020	–	–	–	6,020
Additions	–	–	–	–	18,074	–	18,074
Exchange differences	1,194	11,150	2,668	731	1,871	4,930	22,544
Ending balance, March 31, 2017	–	–	289,201	31,154	48,525	53,595	422,475
Accumulated amortization:							
Opening balance - April 1, 2016	(122,010)	(320,185)	–	–	(71,837)	(137,345)	(651,377)
Retirements	123,204	331,335	–	–	55,296	111,578	621,413
Amortization charge for the year	–	–	–	–	(9,329)	(6,612)	(15,941)
Exchange differences	(1,194)	(11,150)	–	–	(1,771)	(4,468)	(18,583)
Ending balance, March 31, 2017	–	–	–	–	(27,641)	(36,847)	(64,488)
Net book value, March 31, 2017	$ –	$ –	$289,201	$ 31,154	$ 20,884	$ 16,748	$ 357,987

The capitalized internally developed costs relate to the development of new customer billing and analysis software solutions for the different energy markets of Just Energy. All research costs and development costs not eligible for capitalization have been expensed and are recognized in administrative expenses.

14 OTHER NON-CURRENT ASSETS

	As at March 31, 2018	As at March 31, 2017
Prepaid commission	**$ 17,101**	$ –
Income taxes recoverable	**2,336**	–
Other	**550**	–
	$ 19,987	$ –

15 FINANCIAL INSTRUMENTS

(a) Fair value of derivative financial instruments and other

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). Management has estimated the value of financial swaps, physical forwards and option contracts for electricity, natural gas, carbon and renewable energy certificates, and generation and transmission capacity contracts using a discounted cash flow method, which employs market forward curves that are either directly sourced from third parties or are developed internally based on third-party market data. These curves can be volatile, thus leading to volatility in the mark to market with no immediate impact to cash flows. Gas options have been valued using the Black option value model using the applicable market forward curves and the implied volatility from other market traded options.

The following table illustrates gains (losses) related to Just Energy's derivative financial instruments classified as fair value through profit or loss and recorded on the consolidated statements of financial position as fair value of derivative financial assets and fair value of derivative financial liabilities, with their offsetting values recorded in change in fair value of derivative instruments and other on the consolidated statements of income.

	For the year ended March 31, 2018	For the year ended March 31, 2017
Change in fair value of derivative instruments and other		
Physical forward contracts and options (i)	**$ 400,583**	$ 215,935
Financial swap contracts and options (ii)	**59,710**	144,288
Foreign exchange forward contracts	**(1,842)**	(1,756)
Share swap	**(4,484)**	(98)
6.5% convertible bond conversion feature	**7,764**	14,261
Unrealized foreign exchange on 6.5% convertible bond	**6,101**	(4,309)
Other derivative options	**6,524**	6,470
Change in fair value of derivative instruments and other	**$ 474,356**	$ 374,791

The following table summarizes certain aspects of the fair value of derivative financial assets and liabilities recorded in the consolidated statement of financial position as at March 31, 2018:

	Financial assets (current)	**Financial assets (non-current)**	**Financial liabilities (current)**	**Financial liabilities (non-current)**
Physical forward contracts and options (i)	**$ 198,891**	**$ 60,550**	**$ 32,451**	**$ 29,003**
Financial swap contracts and options (ii)	**8,133**	**1,342**	**34,369**	**22,117**
Foreign exchange forward contracts	**-**	**-**	**1,068**	**505**
Share swap	**-**	**-**	**18,400**	**-**
6.5% convertible bond conversion feature	**-**	**-**	**-**	**246**
Other derivative options	**11,745**	**2,770**	**-**	**-**
As at March 31, 2018	**$ 218,769**	**$ 64,662**	**$ 86,288**	**$ 51,871**

The following table summarizes certain aspects of the fair value of derivative financial assets and liabilities recorded in the consolidated statement of financial position as at March 31, 2017:

	Financial assets (current)	Financial assets (non-current)	Financial liabilities (current)	Financial liabilities (non-current)
Physical forward contracts and options	$ 982	$ 983	$ 89,472	$ 124,173
Financial swap contracts and options	3,207	2,027	65,362	46,246
Foreign exchange forward contracts	565	-	-	295
Share swap	-	-	13,916	-
6.5% convertible bond conversion feature	-	-	-	8,010
Other derivative options	6,902	-	43	-
As at March 31, 2017	$ 11,656	$ 3,010	$ 168,793	$ 178,724

Below is a summary of the financial instruments classified through profit or loss as at March 31, 2018, to which Just Energy has committed:

(i) Physical forward contracts and options consist of:

- Electricity contracts with a total remaining volume of 32,522,439 MWh, a weighted average price of $42.50/MWh and expiry dates up to December 31, 2027.

- Natural gas contracts with a total remaining volume of 86,541,853 GJs, a weighted average price of $3.72/GJ and expiry dates up to October 31, 2023.
- Renewable energy certificates ("RECs") and emission-reduction credit contracts with a total remaining volume of 3,662,766 MWh and 422,550 tonnes, respectively, a weighted average price of $27.84/REC and $2.50/tonne, respectively, and expiry dates up to December 31, 2028 and December 31, 2021.
- Electricity generation capacity contracts with a total remaining volume of 5,410 MWCap, a weighted average price of $6,912.86/MWCap and expiry dates up to October 31, 2022.
- Ancillary contracts with a total remaining volume of 933,679 MWh, a weighted average price of $19.45/MWh and expiry dates up to December 31, 2020.

(ii) Financial swap contracts and options consist of:

- Electricity contracts with a total remaining volume of 15,724,012 MWh, an average price of $49.41/MWh and expiry dates up to July 23, 2023.
- Natural gas contracts with a total remaining volume of 117,006,333 GJs, an average price of $3.54/GJ and expiry dates up to December 31, 2022.
- Electricity generation capacity contracts with a total remaining volume of 273 MWCap, a weighted average price of $4,146.69/MWCap and expiry dates up to October 31, 2020.
- Ancillary contracts with a total remaining volume of 962,506 MWh, a weighted average price of $13.76/MWh and expiry dates up to December 31, 2019.

These derivative financial instruments create a credit risk for Just Energy since they have been transacted with a limited number of counterparties. Should any counterparty be unable to fulfill its obligations under the contracts, Just Energy may not be able to realize the financial assets' balance recognized in the consolidated financial statements.

Share swap agreement

Just Energy has entered into a share swap agreement to manage the consolidated statement of income volatility associated with the Company's restricted share grant and deferred share grant plans. The value, on inception, of the 2,500,000 shares under this share swap agreement was approximately $33,803. Net monthly settlements received under the share swap agreement are recorded in other income. Just Energy records the fair value of the share swap agreement in the non-current derivative financial liabilities on the consolidated statements of financial position. Changes in the fair value of the share swap agreement are recorded through the consolidated statements of income as a change in fair value of derivative instruments and other.

Fair value ("FV") hierarchy derivatives

Level 1

The fair value measurements are classified as Level 1 in the FV hierarchy if the fair value is determined using quoted unadjusted market prices.

Level 2

Fair value measurements that require observable inputs other than quoted prices in Level 1, either directly or indirectly, are classified as Level 2 in the FV hierarchy. This could include the use of statistical techniques to derive the FV curve from observable market prices. However, in order to be classified under Level 2, significant inputs must be directly or indirectly observable in the market. Just Energy values its New York Mercantile Exchange ("NYMEX") financial gas fixed-for-floating swaps under Level 2.

Level 3

Fair value measurements that require unobservable market data or use statistical techniques to derive forward curves from observable market data and unobservable inputs are classified as Level 3 in the FV hierarchy. For the supply contracts, Just Energy uses quoted market prices as per available market forward data and applies a price-shaping profile to calculate the monthly prices from annual strips and hourly prices from block strips for the purposes of mark to market calculations. The profile is based on historical settlements with counterparties or with the system operator and is considered an unobservable input for the purposes of establishing the level in the FV hierarchy. For the natural gas supply contracts, Just Energy uses three different market observable curves: (i) Commodity (predominately NYMEX), (ii) Basis and (iii) Foreign exchange. NYMEX curves extend for over five years (thereby covering the length of Just Energy's contracts); however, most basis curves extend only 12 to 15 months into the future. In order to calculate basis curves for the remaining years, Just Energy uses extrapolation, which leads natural gas supply contracts to be classified under Level 3.

For the share swap, Just Energy uses a forward interest rate curve along with a volume weighted average share price.

Just Energy's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of Level 1, Level 2 or Level 3 during the years ended March 31, 2018 or 2017.

Fair value measurement input sensitivity

The main cause of changes in the fair value of derivative instruments is changes in the forward curve prices used for the fair value calculations. Just Energy provides a sensitivity analysis of these forward curves under the "Market risk" section of this note. Other inputs, including volatility and correlations, are driven off historical settlements.

The following table illustrates the classification of derivative financial assets (liabilities) in the FV hierarchy as at March 31, 2018:

	Level 1	Level 2	Level 3	Total
Derivative financial assets	$ -	$ -	$ 283,431	$ 283,431
Derivative financial liabilities	-	(21,092)	(117,067)	(138,159)
Total net derivative assets (liabilities)	$ -	$ (21,092)	$ 166,364	$ 145,272

The following table illustrates the classification of derivative financial assets (liabilities) in the FV hierarchy as at March 31, 2017:

	Level 1	Level 2	Level 3	Total
Derivative financial assets	$ -	$ -	$ 14,666	$ 14,666
Derivative financial liabilities	-	(17,741)	(329,776)	(347,517)
Total net derivative liabilities	$ -	$ (17,741)	$ (315,110)	$ (332,851)

Key assumptions used when determining the significant unobservable inputs included in Level 3 of the FV hierarchy consist of up to 5% price extrapolation to calculate monthly prices that extend beyond the market observable 12- to 15-month forward curve.

The following table illustrates the changes in net fair value of financial assets (liabilities) classified as Level 3 in the FV hierarchy for the following periods:

	Year ended March 31, 2018	Year ended March 31, 2017
Balance, beginning of year	**$ (315,110)**	$ (638,231)
Total gains (losses)	**105,709**	(42,084)
Purchases	**207,531**	(30,265)
Sales	**(64,464)**	2,084
Settlements	**232,698**	393,386
Balance, end of year	**$ 166,364**	$ (315,110)

(b) Classification of non-derivative financial assets and liabilities

As at March 31, 2018 and March 31, 2017, the carrying value of cash and cash equivalents, short-term investments, restricted cash, current trade and other receivables, unbilled revenues and trade and other payables approximates their fair value due to their short-term nature.

Long-term debt recorded at amortized cost has a fair value as at March 31, 2018 of $570.1 million (2017 - $542.0 million) and the interest payable on outstanding amounts is at rates that vary from Bankers' Acceptances, LIBOR, Canadian bank prime rate or U.S. prime rate, with the exceptions of the 6.75% $100M convertible debentures, 6.75% $160M convertible debentures, 6.5% convertible bonds and 5.75% convertible debentures, which are fair valued based on market value. The 6.75% $100M convertible debentures, 6.75% $160M convertible debentures, 6.5% convertible bonds and 5.75% convertible debentures are classified as Level 1 in the FV hierarchy.

Investments in equity instruments have a fair value as at March 31, 2018 of $36.3 million and are measured based on Level 2 of the FV hierarchy. Level 2 inputs for non-derivative financial assets include quoted prices for similar assets in active markets, quoted prices for identical or similar assets that are not active.

The fair values of the investment in both ecobee and Energy Earth has been derived from transacted/quoted prices of identical assets that are not active. No adjustments were made in valuing the investment in ecobee or Energy Earth based on unobservable inputs that would be significant to the entire measurement and require the fair value measurement to be categorized within Level 3 of the FV hierarchy.

The following table illustrates the classification of investments in the FV hierarchy as at March 31, 2018:

	Level 1	Level 2	Level 3	Total
Investment in ecobee	$ -	$ 32,446	$ -	$ 32,446
Investment in Energy Earth	-	3,868	-	3,868
Total investments	$ -	$ 36,314	$ -	$ 36,314

(c) Management of risks arising from financial instruments

The risks associated with Just Energy's financial instruments are as follows:

(i) Market risk

Market risk is the potential loss that may be incurred as a result of changes in the market or fair value of a particular instrument or commodity. Components of market risk to which Just Energy is exposed are discussed below.

Foreign currency risk

Foreign currency risk is created by fluctuations in the fair value or cash flows of financial instruments due to changes in foreign exchange rates and exposure as a result of investments in U.S. and international operations.

The performance of the Canadian dollar relative to the U.S. dollar could positively or negatively affect Just Energy's income, as a portion of Just Energy's income is generated in U.S. dollars and is subject to currency fluctuations upon translation to Canadian dollars. Due to its growing operations in the U.S. and Europe, Just Energy expects to have a greater exposure to foreign currency fluctuations in the future than in prior years. Just Energy has economically hedged between 50% and 90% of forecasted cross border cash flows that are expected to occur within the next 12 months and between 0% and 50% of certain forecasted cross border cash flows that are expected to occur within the next 13 to 24 months. The level of economic hedging is dependent on the source of the cash flow and the time remaining until the cash repatriation occurs.

Just Energy may, from time to time, experience losses resulting from fluctuations in the values of its foreign currency transactions, which could adversely affect its operating results. Translation risk is not hedged.

With respect to translation exposure, if the Canadian dollar had been 5% stronger or weaker against the U.S. dollar for the year ended March 31, 2018, assuming that all the other variables had remained constant, profit for the year would have been $15.0 million lower/higher and other comprehensive income would have been $37.8 million lower/higher.

Interest rate risk

Just Energy is only exposed to interest rate fluctuations associated with its floating rate credit facility. Just Energy's current exposure to interest rates does not economically warrant the use of derivative instruments. Just Energy's exposure to interest rate risk is relatively immaterial and temporary in nature. Just Energy does not currently believe that its long-term debt exposes the Company to material interest rate risks but has set out parameters to actively manage this risk within its Risk Management Policy.

A 1% increase (decrease) in interest rates would have resulted in a decrease (increase) of approximately $758 in profit before income taxes for the year ended March 31, 2018 (2017 - $332).

Commodity price risk

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

Commodity price sensitivity - all derivative financial instruments

If all the energy prices associated with derivative financial instruments including natural gas, electricity, verified emission-reduction credits and renewable energy certificates had risen (fallen) by 10%, assuming that all of the other variables had remained constant, profit before income taxes for the year ended March 31, 2018 would have increased (decreased) by $228,721 ($227,245), primarily as a result of the change in fair value of Just Energy's derivative financial instruments.

Commodity price sensitivity – Level 3 derivative financial instruments

If the energy prices associated with only Level 3 derivative financial instruments including natural gas, electricity, verified emission-reduction credits and renewable energy certificates had risen (fallen) by 10%, assuming that all of the other variables had remained constant, profit before income taxes for the year ended March 31, 2018 would have increased (decreased) by $232,801 ($231,393), primarily as a result of the change in fair value of Just Energy's derivative financial instruments.

(ii) Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Just Energy is exposed to credit risk in two specific areas: customer credit risk and counterparty credit risk.

Customer credit risk

In Alberta, Texas, Illinois, British Columbia, California, Michigan, Delaware, Ohio, Georgia and the U.K., Just Energy has customer credit risk and, therefore, credit review processes have been implemented to perform credit evaluations of customers and manage customer default. If a significant number of customers were to default on their payments, it could have a material adverse effect on the operations and cash flows of Just Energy. Management factors default from credit risk in its margin expectations for all the above markets.

The aging of the accounts receivable from the above markets was as follows:

	March 31, 2018	March 31, 2017
Current	**$ 113,786**	$ 96,510
1–30 days	**44,374**	30,672
31–60 days	**21,241**	12,806
61–90 days	**12,686**	8,358
Over 90 days	**69,207**	47,059
	$ 261,294	$ 195,405

Changes in the allowance for doubtful accounts related to the balances in the table above were as follows:

	March 31, 2018	March 31, 2017
Balance, beginning of year	**$ 49,431**	$ 58,789
Provision for doubtful accounts	**56,300**	56,041
Bad debts written off	**(41,802)**	(64,262)
Foreign exchange	**(3,808)**	(1,137)
Balance, end of year	**$ 60,121**	$ 49,431

In the remaining markets, the LDCs provide collection services and assume the risk of any bad debts owing from Just Energy's customers for a fee. Management believes that the risk of the LDCs failing to deliver payment to Just Energy is minimal. There is no assurance that the LDCs providing these services will continue to do so in the future.

Counterparty credit risk

Counterparty credit risk represents the loss that Just Energy would incur if a counterparty fails to perform under its contractual obligations. This risk would manifest itself in Just Energy replacing contracted supply at prevailing market rates, thus impacting the related customer margin. Counterparty limits are established within the Risk Management Policy. Any exceptions to these limits require approval from the Board of Directors of Just Energy. The Risk Department and Risk Committee monitor current and potential credit exposure to individual counterparties and also monitor overall aggregate counterparty exposure. However, the failure of a counterparty to meet its contractual obligations could have a material adverse effect on the operations and cash flows of Just Energy.

As at March 31, 2018, the estimated counterparty credit risk exposure amounted to $283,431 (2017 – $14,666), representing the risk relating to Just Energy's exposure to derivatives that are in an asset position.

(iii) Liquidity risk

Liquidity risk is the potential inability to meet financial obligations as they fall due. Just Energy manages this risk by monitoring detailed weekly cash flow forecasts covering a rolling six-week period, monthly cash forecasts for the next 12 months, and quarterly forecasts for the following two-year period to ensure adequate and efficient use of cash resources and credit facilities.

The following are the contractual maturities, excluding interest payments, reflecting undiscounted disbursements of Just Energy's financial liabilities:

As at March 31, 2018:

	Carrying amount	Contractual cash flows	Less than 1 year	1–3 years	4–5 years	More than 5 years
Trade and other payables	$ 616,434	$ 616,434	$ 616,434	$ -	$ -	$ -
Long-term debt[1]	543,504	575,525	122,115	193,410	260,000	-
Gas, electricity and non-commodity contracts	138,159	3,171,037	1,867,389	1,202,949	69,658	31,041
	$ 1,298,097	$ 4,362,996	$ 2,605,938	$ 1,396,359	$ 329,658	$ 31,041

1 Included in long-term debt are the 6.75% $100M convertible debentures, 6.75% convertible bonds, 6.5% convertible debentures and 5.75% convertible debentures, which may be settled through the issuance of shares at the option of the holder or Just Energy upon maturity.

As at March 31, 2017:

	Carrying amount	Contractual cash flows	Less than 1 year	1–3 years	4–5 years	More than 5 years
Trade and other payables	$ 499,169	$ 499,169	$ 499,169	$ -	$ -	$ -
Long-term debt[1]	498,088	527,743	-	367,743	160,000	-
Gas, electricity and non-commodity contracts	347,517	3,397,692	1,982,896	1,189,745	188,282	36,769
	$ 1,344,774	$ 4,424,604	$ 2,482,065	$ 1,557,488	$ 348,282	$ 36,769

1 Included in long-term debt are the 6.75% $100M convertible debentures, 6.75% convertible debentures, 6.5% convertible bonds and 5.75% convertible debentures, which may be settled through the issuance of shares at the option of the holder or Just Energy upon maturity.

In addition to the amounts noted above, as at March 31, 2018, the contractual net interest payments over the term of the long-term debt with scheduled repayment terms are as follows:

	Less than 1 year	1–3 years	4–5 years	More than 5 years
Interest payments	$ 30,815	$ 41,386	$ 24,300	$ -

(iv) Supplier risk

Just Energy purchases the majority of the gas and electricity delivered to its customers through long-term contracts entered into with various suppliers. Just Energy has an exposure to supplier risk as the ability to continue to deliver gas and electricity to its customers is reliant upon the ongoing operations of these suppliers and their ability to fulfill their contractual obligations. As at March 31, 2018, Just Energy has applied an adjustment factor to determine the fair value of its financial assets in the amount of $4,737 (2017 - $4,980) to accommodate for its counterparties' risk of default.

16 TRADE AND OTHER PAYABLES

	As at March 31, 2018	As at March 31, 2017
Commodity suppliers' payables	$ 209,610	$ 203,581
Accrued liabilities	135,733	140,753
Green provisions	152,542	70,955
Sales tax payable	15,794	19,241
Trade accounts payable	45,887	20,025
Payable for former JV partner (Note 18)	26,375	-
Accrued gas payable	12,261	12,537
Other payables	18,232	32,077
	$ 616,434	$ 499,169

17 ACQUISITION OF BUSINESSES

(a) Acquisition of Intell Enercare Solutions Inc.

On June 6, 2017, Just Energy completed the acquisition of 100% of the issued and outstanding shares of Intell Enercare Solutions Inc., a complete service provider for supply, design and installation of energy saving technologies, for up to $11.0 million, subject to closing adjustments. The purchase price consideration included cash consideration of $2.2 million. There is contingent consideration where Just Energy will pay up to $9.0 million to the sellers over three years provided that certain EBITDA targets are satisfied. The EBITDA target with respect to the contingent consideration for 2018 is $3,500. For the 2019 and 2020 years, it is $3,000 and $2,500, respectively. The fair value of the contingent consideration at acquisition was estimated to be $7.8 million based on the three-year forecast. The acquisition of Intell Enercare Solutions Inc. was accounted for using the purchase method of accounting. Just Energy allocated the preliminary purchase price to the identified assets and liabilities acquired based on their fair values at the time of acquisition as follows:

Net assets acquired	
Intangible assets	$ 877
Goodwill	9,644
Working capital	(302)
Deferred tax	(232)
Total consideration	$ 9,987

Cash paid, net of estimated working capital adjustment	$ 2,199
Contingent consideration	7,788
Total consideration	$ 9,987

The transaction costs related to the acquisition have been expensed and are included in other operating expenses in the consolidated statements of income. The goodwill represents the synergies and potential for cross-selling energy saving technologies to Just Energy customers. The amount of revenue and profit or (loss) of Intell Enercare Solutions Inc. since the acquisition date included in the consolidated statement of income for the fiscal year is $1,495 and ($850), respectively. The revenue and profit or (loss) for the current reporting period, assuming the acquisition date for Intell Enercare Solutions Inc. that occurred during the year had been as of the beginning of the annual reporting period, would be $1,635 and ($1,019), respectively. The fair value of the contingent consideration was subsequently reduced to $1,300 during the year through the consolidated statements of income due to changes in the assumptions within the forecast.

(b) Acquisition of SWDirekt and SWPro

On December 8, 2016, Just Energy completed the acquisition of 95% of the issued and outstanding shares of SWDirekt, a retail energy company, and 51% of the issued and outstanding shares of SWPro, a sales and marketing company, for $6.4 million, subject to closing adjustments. Terms of the deal include a $2.2 million payment upon the achievement of sales targets.

The acquisition of SWDirekt and SWPro was accounted for using the purchase method of accounting. Just Energy allocated the purchase price to the identified assets and liabilities acquired based on their fair values at the time of acquisition as follows:

Net assets acquired	
Working capital	$ 588
Property, plant and equipment	56
Intangible assets	1,172
Goodwill	4,831
Non-controlling interest	(41)
Other liabilities	(221)
Total consideration	$ 6,385

Cash paid, net of working capital adjustment	$ 4,221
Contingent consideration	2,164
Total consideration	$ 6,385

The contingent consideration was subsequently written down to $nil through the consolidated statements of income due to changes within the cash flows forecast.

(c) Acquisition of EdgePower, Inc.

On February 28, 2018, Just Energy completed the acquisition of the issued and outstanding shares of EdgePower, Inc. ("EdgePower"), a privately held energy monitoring and management company operating out of Aspen, Colorado. EdgePower provides lighting and HVAC controls, as well as enterprise monitoring, in hundreds of commercial buildings in North America. Just Energy acquired 100% of the equity interests of EdgePower for the purposes of integrating their lighting and HVAC controls with the commercial business. The fair value of the total consideration transferred is US$14.0 million, of which US$7.0 million was paid in cash and US$7.0 million was settled through the issuance of 1,415,285 Just Energy common shares. The goodwill that was acquired as part of this acquisition relates primarily to the EdgePower workforce and synergies between Just Energy and EdgePower.

In addition, the former shareholders of EdgePower are entitled to a payment of up to a maximum of US$6.0 million, payable in cash, subject to continuing employment and the achievement of certain annual and cumulative performance thresholds of the EdgePower business. The payment is calculated as 20% of EBITDA for the EdgePower business for the years of 2019-2021 with minimum thresholds that must be met. As at the acquisition date, the amount recognized for management remuneration was $nil. The amount of revenue and loss of EdgePower since the acquisition date included in the consolidated statements of income for the reporting period is $209 and $112, respectively. The revenue and profit or loss for the current reporting period, assuming the acquisition date for EdgePower that occurred during the year had been as of the beginning of the annual reporting period, would be $4,282 and $2,469, respectively.

The following is the preliminary purchase price allocation for EdgePower:

Net assets acquired	
Working capital	$ 993
Intangible assets	15,115
Goodwill	5,879
Deferred tax liabilities	(4,066)
Total consideration	$ 17,921
Cash paid, net of working capital adjustment	$ 8,286
Common shares issued	8,966
Payable to seller	669
Total consideration	$ 17,921

18 NON-CONTROLLING INTEREST

	March 31, 2018	March 31, 2017
Profit (loss) allocated to non-controlling interest		
Just Ventures (a)	**$ 9,603**	$ 24,558
Just Energy Deutschland GmbH (b)	**(305)**	(72)
SWPro (b)	**-**	(15)
	$ 9,298	$ 24,471

	Just Ventures	Just Energy Deutschland GmbH	SWPro
	(until August 1, 2017)		
Summarized financial information for 2018:			
Gross margin	**$ 38,501**	**$ 82**	**$ 78**
Selling and marketing expenses	**13,829**	**2,148**	**477**
Profit (loss) from operations	**24,672**	**(2,106)**	**(399)**
Cash flows provided by (used in) operating activities	**24,672**	**(2,106)**	**(399)**
Cash flows used in financing activities	**(24,672)**	**-**	**-**

	Just Ventures	Just Energy Deutschland GmbH	SWPro
Summarized financial information for 2017:			
Gross margin	$ 82,357	$ 5	$ (43)
Selling and marketing expenses	34,264	235	100
Profit (loss) from operations	48,093	(349)	(143)
Cash flows provided by (used in) operating activities	48,093	(349)	(143)
Cash flows used in financing activities	(48,093)	-	-

(a) On August 1, 2017, Just Energy announced that it reached an agreement with its joint venture partner, Red Ventures LLC, to end the exclusive relationship for online sales of the Just Energy brand in North America. To facilitate the transaction, Just Energy acquired the outstanding 50% interest of each of Just Ventures LLC in the United States and Just Ventures L.P. in Canada. Under the terms of the agreement, the purchase price is a function of go forward earnings based on the current client base and is payable in quarterly installments over five years estimated at $99.8 million. As at March 31, 2018, the current liabilities amount to $26.4 million and long-term liabilities amount to $56.6 million.

(b) Just Energy owns 95% of the issued and outstanding shares of Just Energy Deutschland GmbH and 51% of the issued and outstanding shares of db SWPro GmbH ("SWPro"), and therefore has treated the 5% and 49%, respectively, that is not owned by Just Energy as a non-controlling interest.

19 LONG-TERM DEBT AND FINANCING

	Maturity	**March 31, 2018**	March 31, 2017
Credit facility (a)	September 1, 2018	**$ 122,115**	$ 68,258
Less: Debt issue costs (a)		**(664)**	(2,257)
6.75% $100M convertible debentures (b)	March 31, 2023	**85,760**	-
6.75% $160M convertible debentures (c)	December 31, 2021	**148,146**	145,579
6.5% convertible bonds (d)	July 29, 2019	**188,147**	190,486
5.75% convertible debentures (e)	September 30, 2018	**-**	96,022
		543,504	498,088
Less: Current portion		**(121,451)**	-
		422,053	498,088

Future annual minimum repayments are as follows:

	Less than 1 year	1-3 years	4-5 years	More than 5 years	Total
Credit facility (a)	$ 122,115	$ -	$ -	$ -	$ 122,115
6.75% $100M convertible debentures (b)	-	-	100,000	-	100,000
6.75% $160M convertible debentures (c)	-	-	160,000	-	160,000
6.5% convertible bonds (d)	-	193,410	-	-	193,410
	$ 122,115	$ 193,410	$ 260,000	$ -	$ 575,525

The details for long-term debt are as follows

	As at April 1, 2017	Cash inflows/ (outflows)	FX	Non-cash changes	**As at March 31, 2018**
Credit facility (a)	$ 66,001	$ 53,857	$ –	$ 1,593	**$ 121,451**
6.75% $100M convertible debentures (b)	–	95,869	–	(10,109)	**85,760**
6.75% $160M convertible debentures (c)	145,579	–	–	2,567	**148,146**
6.5% convertible bonds (d)	190,486	–	(6,101)	3,761	**188,147**
5.75% convertible debentures (e)	96,022	(100,000)	–	3,978	**–**
	498,088	49,726	(6,101)	1,790	**543,504**
Less: Current portion	–	–	–	–	**(121,451)**
	498,088	49,726	(6,101)	1,790	**422,053**

	As at April 1, 2016	Cash inflows/ (outflows)	FX	Non-cash changes	As at March 31, 2017
Credit facility (a)	$ (2,980)	$ 68,258	$ –	$ 723	$ 66,001
6.75% $160M convertible debentures (c)	–	152,407	–	(6,828)	145,579
6.5% convertible bonds (d)	182,564	–	4,309	3,613	190,486
5.75% convertible debentures (e)	93,637	–	–	2,385	96,022
6.0% convertible debentures (f)	311,028	(321,261)	–	10,233	–
Senior unsecured note (g)	76,294	(80,000)	–	3,706	–
	660,543	(180,596)	4,309	13,832	498,088

The following table details the finance costs for the year ended March 31. Interest is expensed based on the effective interest rate.

	2018	2017
Credit facility (a)	**$ 12,883**	$ 10,564
6.75% $100M convertible debentures (b)	**497**	–
6.75% $160M convertible debentures (c)	**12,773**	7,090
6.5% convertible bonds (d)	**15,753**	16,418
5.75% convertible debentures (e)	**9,173**	8,135
6.0% convertible debentures (f)	**–**	19,396
Loss on redemption of 6.0% convertible debentures (f)	**–**	4,415
Senior unsecured note (g)	**–**	10,999
Unwinding of discount and other	**4,893**	1,060
	$ 55,972	$ 78,077

(a) As at March 31, 2018, Just Energy has a $342.5 million credit facility to meet working capital requirements, which includes an increase to the capacity by $50 million for a letter of credit facility (the "LC facility"), effective December 30, 2016. The principal amount outstanding under the LC facility is guaranteed by Export Development Canada under its Account Performance Security Guarantee Program. The syndicate of lenders includes Shell Energy North America (Canada) Inc./Shell Energy North America (U.S.), L.P., Canadian Imperial Bank of Commerce ("CIBC"), National Bank of Canada, HSBC Bank Canada, Alberta Treasury Branches, JP Morgan Chase Bank, N.A. and Canadian Western Bank.

Interest is payable on outstanding loans at rates that vary with Bankers' Acceptance rates, LIBOR, Canadian bank prime rate or U.S. prime rate. Under the terms of the operating credit facility, Just Energy is able to make use of Bankers' Acceptances and LIBOR advances at stamping fees of 3.40%. Prime rate advances are at a rate of bank prime (Canadian bank prime rate or U.S. prime rate) plus 2.40% and letters of credit are at a rate of 3.40%. Interest rates are adjusted quarterly based on certain financial performance indicators.

As at March 31, 2018, the Canadian prime rate was 3.45% and the U.S. prime rate was 4.75%. Just Energy has drawn $122.1 million against the facility and the total letters of credit outstanding as of the current period amounted to $113.4 million (2017 – $109.2 million). As at March 31, 2018, Just Energy has $102 million of the facility remaining as well as a $5 million swing line with CIBC for future working capital and/or security requirements. Just Energy's obligations under the credit facility are supported by guarantees of certain subsidiaries and affiliates and secured by a general security agreement and a pledge of the assets and securities of Just Energy and the majority of its operating subsidiaries and affiliates excluding, primarily, the international operations. Just Energy is required to meet a number of financial covenants under the various debt agreements. As at March 31, 2018, the Company was compliant with all of these covenants.

Subsequent to March 31, 2018, the Company has renegotiated an agreement with a syndicate of lenders to extend Just Energy's credit facility for an additional two years to September 1, 2020. For further details, please refer to Note 34 to the consolidated financial statements.

(b) On February 22, 2018, Just Energy issued $100 million of convertible unsecured senior subordinated debentures (the "6.75% $100 million convertible debentures"). The 6.75% $100 million convertible debentures bear interest at an annual rate of 6.75%, payable semi-annually in arrears on March 31 and September 30 in each year, and have a maturity date of March 31, 2023. Each $1,000 principal amount of the 6.75% $100 million convertible debentures is convertible at the option of the holder at any time prior to the close of business on the earlier of the maturity date and the last business day immediately preceding the date fixed for redemption into 112.3596 common shares of Just Energy, representing a conversion price of $8.90, subject to certain anti-dilution provisions. Holders who convert their debentures will receive accrued and unpaid interest for the period from and including the date of the latest interest payment up to, but excluding, the date of conversion.

The 6.75% $100 million convertible debentures will not be redeemable at the option of the Company on or before March 31, 2021. After March 31, 2021 and prior to March 31, 2022, the 6.75% $100 million convertible debentures may be redeemed in whole or in part from time to time at the option of the Company on not more than 60 days' and not less than 30 days' prior notice, at a price equal to their principal amount plus accrued and unpaid interest, provided that the weighted average trading price of the common shares of Just Energy on the Toronto Stock Exchange (the "TSX") for the 20 consecutive trading days ending five trading days preceding the date on which the notice of redemption is given is at least 125% of the conversion price. On or after March 31, 2022, the 6.75% $100 million convertible debentures may be redeemed in whole or in part from time to time at the option of the Company on not more than 60 days' and not less than 30 days' prior notice, at a price equal to their principal amount plus accrued and unpaid interest.

The conversion feature of the 6.75% $100 million convertible debentures has been accounted for as a separate component of shareholders' equity in the amount of $9.7 million. Upon initial recognition of the convertible debentures, Just Energy recorded a deferred tax liability of $2.6 million and reduced the equity component of the convertible debentures by this amount. The remainder of the net proceeds of the 6.75% $100 million convertible debentures has been recorded as long-term debt, which is being accreted up to the face value of $100 million over the term of the 6.75% $100 million convertible debentures using an effective interest rate of 10.7%. If the 6.75% $100 million convertible debentures are converted into common shares, the value of the conversion will be reclassified to share capital along with the principal amount converted. No amounts of the 6.75% $100 million convertible debentures have been converted or redeemed as at March 31, 2018.

(c) On October 5, 2016, Just Energy issued $160 million of convertible unsecured senior subordinated debentures (the "6.75% $160 million convertible debentures"). The 6.75% $160 million convertible debentures bear interest at an annual rate of 6.75%, payable semi-annually in arrears on June 30 and December 31 in each year, and have a maturity date of December 31, 2021. Each $1,000 principal amount of the 6.75% $160 million convertible debentures is convertible at the option of the holder at any time prior to the close of business on the earlier of the maturity date and the last business day immediately preceding the date fixed for redemption into 107.5269 common shares of Just Energy, representing a conversion price of $9.30, subject to certain anti-dilution provisions. Holders who convert their debentures will receive accrued and unpaid interest for the period from and including the date of the latest interest payment up to, but excluding, the date of conversion.

The 6.75% $160 million convertible debentures will not be redeemable at the option of the Company on or before December 31, 2019. After December 31, 2019 and prior to December 31, 2020, the 6.75% $160 million convertible debentures may be redeemed in whole or in part from time to time at the option of the Company on not more than 60 days' and not less than 30 days' prior notice, at a price equal to their principal amount plus accrued and unpaid interest, provided that the weighted average trading price of the common shares of Just Energy on the Toronto Stock Exchange (the "TSX") for the 20 consecutive trading days ending five trading days preceding the date on which the notice of redemption is given is at least 125% of the conversion price. On or after December 31, 2020, the 6.75% $160 million convertible debentures may be redeemed in whole or in part from time to time at the option of the Company on not more than 60 days' and not less than 30 days' prior notice, at a price equal to their principal amount plus accrued and unpaid interest.

The conversion feature of the 6.75% $160 million convertible debentures has been accounted for as a separate component of shareholders' equity in the amount of $8.0 million. Upon initial recognition of the convertible debentures, Just Energy recorded a deferred tax liability of $2.1 million and reduced the equity component of the convertible debentures by this amount. The remainder of the net proceeds of the 6.75% $160 million convertible debentures has been recorded as long-term debt, which is being accreted up to the face value of $160 million over the term of the 6.75% $160 million convertible debentures using an

effective interest rate of 9.1%. If the 6.75% $160 million convertible debentures are converted into common shares, the value of the conversion will be reclassified to share capital along with the principal amount converted. No amounts of the 6.75% $160 million convertible debentures have been converted or redeemed as at March 31, 2018.

(d) On January 29, 2014, Just Energy issued US$150 million of European-focused senior convertible unsecured convertible bonds (the "6.5% convertible bonds"). The 6.5% convertible bonds bear interest at an annual rate of 6.5%, payable semi-annually in arrears in equal installments on January 29 and July 29 in each year, and have a maturity date of July 29, 2019.

A Conversion Right in respect of a bond may be exercised, at the option of the holder thereof, at any time from May 30, 2014 to July 7, 2019. The initial conversion price is US$9.3762 per common share (being C$10.2819) but is subject to adjustments. In the event of the exercise of a Conversion Right, the Company may, at its option, subject to applicable regulatory approval and provided no event of default has occurred and is continuing, elect to satisfy its obligation in cash equal to the market value of the underlying shares to be received.

As a result of the debt being denominated in a different functional currency than that of Just Energy, the conversion feature is recorded as a financial liability instead of a component of equity. Therefore, the conversion feature of the 6.5% convertible bonds has been accounted for as a separate financial liability with an initial value of US$8,517. The remainder of the net proceeds of the 6.5% convertible bonds has been recorded as long-term debt, which is being accreted up to the face value of $150.0 million over the term of the 6.5% convertible bonds using an effective interest rate of 8.8%. At each reporting period, the conversion feature is recorded at fair value with changes in fair value recorded through profit or loss. As at March 31, 2018, the fair value of this conversion feature is US$0.2 million and is included in other non-current financial liabilities. No amounts of the 6.5% convertible bonds have been converted or redeemed as at March 31, 2018.

(e) In September 2011, Just Energy issued $100 million of convertible unsecured subordinated debentures (the "5.75% convertible debentures"), which was used to fund an acquisition. The 5.75% convertible debentures bear interest at an annual rate of 5.75%, payable semi-annually on March 31 and September 30 in each year, and have a maturity date of September 30, 2018. Each $1,000 principal amount of the 5.75% convertible debentures is convertible at the option of the holder at any time prior to the close of business on the earlier of the maturity date and the last business day immediately preceding the date fixed for redemption into 56.0 common shares of Just Energy, representing a conversion price of $17.85. On or after September 30, 2016, the 5.75% convertible debentures may be redeemed in whole or in part from time to time at the option of the Company on not more than 60 days' and not less than 30 days' prior notice, at a price equal to their principal amount plus accrued and unpaid interest.

The Company may, at its option, on not more than 60 days' and not less than 30 days' prior notice, subject to applicable regulatory approval and provided no event of default has occurred and is continuing, elect to satisfy its obligation to repay all or any portion of the principal amount of the 5.75% convertible debentures that are to be redeemed or that are to mature, by issuing and delivering to the holders thereof that number of freely tradable common shares determined by dividing the principal amount of the 5.75% convertible debentures being repaid by 95% of the current market price on the date of redemption or maturity, as applicable.

On March 27, 2018, Just Energy redeemed the 5.75% convertible debentures. Of the amount paid, $99.5 million was recorded as a reduction in the liability component of the 5.75% convertible debentures, a non-cash loss on early redemption of $0.5 million was classified as finance costs, and $7.1 million was recorded as an increase in contributed surplus.

(f) In May 2010, Just Energy issued $330 million of convertible extendible unsecured subordinated debentures (the "6.0% convertible debentures"). The 6.0% convertible debentures bear interest at a rate of 6.0% per annum payable semi-annually in arrears on June 30 and December 31, with an original maturity date of June 30, 2017.

On November 7, 2016, Just Energy redeemed $225 million of the 6.0% convertible debentures. Of the amount paid, $222 million was recorded as a reduction in the liability component of the 6.0% convertible debentures, a non-cash loss on early redemption of $3.1 million was classified as finance costs, and $12.9 million was recorded as an increase in contributed surplus. On February 21, 2017, Just Energy redeemed $94.6 million of the 6.0% convertible debentures. Of the amount paid, $93.4 million was recorded as a reduction in the liability component of the 6.0% convertible debentures, a non-cash loss on early redemption of $1.3 million was classified as finance costs, and $5.4 million was recorded as an increase in contributed surplus.

(g) The senior unsecured note was originally issued in the amount of $105 million bearing interest at 9.75% and maturing in June 2018. Just Energy early redeemed $25 million on March 31, 2016 and June 30, 2016, respectively, with the remaining $55 million repaid on October 5, 2016.

20 PROVISIONS

	2018	2017
Cost		
Balance, beginning of year	**$ 8,215**	$ 17,989
Provisions reversed and used during the year	**(3,323)**	(10,602)
Unwinding of discount	**-**	389
Foreign exchange impact	**(178)**	439
Balance, end of year	**$ 4,714**	$ 8,215

Legal proceedings

In March 2012, Davina Hurt and Dominic Hill filed a lawsuit against Commerce Energy Inc., Just Energy Marketing Corp. and the Company (collectively referred to as "Just Energy") in the Ohio Federal Court claiming entitlement to payment of minimum wage and overtime under Ohio wage claim laws and the federal Fair Labor Standards Act ("FLSA") on their own behalf and similarly situated door-to-door sales representatives who sold for Commerce Energy Inc. in certain regions of the United States. The Court granted the plaintiffs' request to certify the lawsuit as a class action. Approximately 1,800 plaintiffs opted into the federal minimum wage and overtime claims, and approximately 8,000 plaintiffs were certified as part of the Ohio state overtime claims. A jury trial on the liability phase was completed on October 6, 2014. The jury refused to find a willful violation by Just Energy but reached a verdict that supports the plaintiffs' class and collective action that certain individuals were not properly classified as outside salespeople in order to qualify for an exemption under the minimum wage and overtime requirements pursuant to the FLSA and Ohio wage and hour laws. Just Energy disagrees with the result of the October 2014 trial and is of the opinion that it is not supported by existing law and precedent. On January 9, 2015, the Court struck the plaintiffs' damage expert report. A separate damages phase on contested matters is scheduled for trial by the end of May 2018. Potential amounts owing have yet to be determined. Just Energy's appeal opportunities will remain open after conclusion of the damages phase. Just Energy strongly believes it complied with the law and continues to vigorously defend against the claims.

In August 2013, Levonna Wilkins, a former door-to-door independent contractor for Just Energy Marketing Corp. ("JEMC"), filed a lawsuit against Just Energy Illinois Corp., Commerce Energy Inc., JEMC and the Company (collectively referred to as "Just Energy") in the Illinois Federal District Court claiming entitlement to payment of minimum wage and overtime under Illinois wage claim laws and the FLSA on her own behalf and similarly situated door-to-door sales representatives who sold in Illinois. On March 13, 2015, the Court granted Wilkins' request to certify the lawsuit as a class action to include a class made up of Illinois sales representatives who sold for Just Energy Illinois Corp. and Commerce Energy Inc. On March 22, 2016, Just Energy's summary judgment motion to dismiss Wilkins' claims was denied. On June 16, 2016, the Court granted Just Energy's motion for reconsideration which objected to Wilkins' class definition and revised the definition to exclude sales representatives who sold for Commerce Energy Inc. Certain class plaintiffs were dismissed by agreement of the parties due to failure to appear at deposition or failure to fit within the revised class definition. Motion for decertification of the class was filed and remains pending and under review with the Court. Just Energy strongly believes it complied with the law and continues to vigorously contest this matter.

In March 2015, Kevin Flood, a former door-to-door independent contractor for Just Energy Marketing Corp., filed a lawsuit against JEMC, Just Energy New York Corp. and the Company (collectively referred to as "Just Energy") in New York Federal District Court (Southern District) claiming entitlement to payment of minimum wage and overtime under New York wage claim laws and the FLSA on his own behalf and similarly situated door-to-door sales representatives who sold in New York. On January 25, 2016, the Court granted Flood's request to certify the lawsuit as a class action for the FLSA claims to include a class made up of New York sales representatives who sold for Just Energy New York. 167 individuals opted in to the FLSA class. Flood also filed a request to certify the lawsuit as a class action for alleged violations of the New York wage claim laws. On January 20, 2017, the Court granted Just Energy's motion for summary judgment dismissing Flood's claims and denied the motion to certify the class action. On February 16, 2017, Flood and opt-in plaintiffs filed an appeal of the dismissal of the Federal District Court's order to the Court of Appeals for the Second Circuit. Appellate oral argument was held on February 20, 2018 and the review remains pending with the Court. Just Energy strongly believes it complied with the law and will vigorously contest the appeal of the dismissal.

In May 2015, Kia Kordestani, a former door-to-door independent contractor ("IC") sales representative for Just Energy Corp., filed a lawsuit against Just Energy Corp., Just Energy Ontario L.P. and the Company (collectively referred to as "Just Energy") in the Superior Court of Justice, Ontario, claiming status as an employee and seeking benefits and protections of the Employment Standards Act such as minimum wage, overtime pay, and vacation and public holiday pay on his own behalf and similarly situated door-to-door sales representatives who sold in Ontario. On Just Energy's request, Mr. Kordestani was removed as a plaintiff but replaced with Haidar Omarali, also a former door-to-door sales representative. In August 2015, Omarali filed a motion to certify a proposed class action of door-to-door sales representatives, and the Court set a hearing for June 21, 2016. The Court issued its certification decision on July 27, 2016, which granted Omarali's request for certification with certain changes. Importantly, the Court refused to certify Omarali's request for damages on an aggregate basis, finding that any alleged class member damages "cannot be determined without proof by individual class members", and the Court left any further resolution on this issue to the common issues trial judge. The Court also refused to certify Omarali's request for the option of punitive damages against

Just Energy and found that there was no evidence that Just Energy's conduct justified a punitive damages question, largely because the evidence presented showed that over the years Just Energy was "reassured that their sales agents were indeed ICs, not employees" by "various administrative agencies including the Canada Revenue Agency, the Workplace Safety and Insurance Board, and at least on one occasion before an employment officer of the Employment Standards Act". Examinations are being held during 2018. No trial date has been scheduled. Just Energy strongly believes it complied with the law and continues to vigorously contest this matter.

21 INCOME TAXES

(a) Tax expense

	2018	2017
Current tax expense	$ 2,555	$ 27,123
Deferred tax expense (benefit)		
Origination and reversal of temporary differences	$ 129,177	$ 152,945
Benefit arising from previously unrecognized tax loss or temporary difference	(111,058)	(136,837)
Deferred tax expense	18,119	16,108
Provision for income taxes	$ 20,674	$ 43,231

(b) Reconciliation of the effective tax rate

The provision for income taxes represents an effective rate different than the Canadian corporate statutory rate of 26.50% (2017 – 26.50%).

	2018	2017
Income before income taxes	$ 539,248	$ 514,114
Combined statutory Canadian federal and provincial income tax rate	26.50%	26.50%
Income tax expense based on statutory rate	$ 142,901	$ 136,240
Increase (decrease) in income taxes resulting from:		
Benefit of mark to market loss and other temporary differences not recognized	$ (111,058)	$ (136,837)
Variance between combined Canadian tax rate and the tax rate applicable to foreign earnings	1,000	40,396
Other permanent items	(12,169)	3,432
Total income tax expense	$ 20,674	$ 43,231

(c) Recognized deferred tax assets and liabilities

Recognized deferred tax assets and liabilities are attributed to the following:

	2018	2017
Mark to market losses on derivative instruments	$ 17,580	$ 28,667
Tax losses and excess of tax basis over book basis	78,825	9,893
Total deferred tax asset	96,405	38,560
Offset of deferred taxes	(93,873)	(17,292)
Net deferred tax asset	$ 2,532	$ 21,268
Partnership income deferred for tax purposes	$ (6,249)	$ (8,281)
Mark to market gains on derivative instruments	(54,158)	(391)
Book to tax differences on other assets	(30,480)	(4,476)
Convertible debentures	(2,986)	(4,144)
Total deferred tax liability	(93,873)	(17,292)
Offset of deferred taxes	93,873	17,292

(d) Movement in deferred tax balances

	Balance April 1, 2017	Recognized in profit or loss	Recognized in OCI	Balance March 31, 2018
Partnership income deferred for tax	**$ (8,281)**	**$ 2,032**	**$ -**	**$ (6,249)**
Book to tax differences on other assets	**4,269**	**51,864**	**(7,788)**	**48,345**
Mark to market (gains) losses on derivative instruments	**29,424**	**(66,002)**	**-**	**(36,578)**
Convertible debentures	**(4,144)**	**1,158**	**-**	**(2,986)**
	$ 21,268	**$ (10,948)**	**$ (7,788)**	**$ 2,532**

	Balance April 1, 2016	Recognized in profit or loss	Recognized in OCI	Balance March 31, 2017
Partnership income deferred for tax	$ (22,306)	$ 14,025	$ -	$ (8,281)
Book to tax differences - customer contracts	(5,139)	5,139	-	-
Book to tax differences on other assets	19,181	(11,557)	(2,207)	5,417
Mark to market (gains) losses on derivative instruments	50,481	(22,205)	-	28,276
Convertible debentures	(2,634)	(1,510)	-	(4,144)
	$ 39,583	$ (16,108)	$ (2,207)	$ 21,268

(e) Unrecognized deferred tax assets

Deferred tax assets not reflected as at March 31 are as follows:

	2018	2017
Losses available for carryforward	**$ -**	$ 55,745
Mark to market on losses on derivative instruments	**-**	86,767
Excess of tax over book basis	**15,824**	14,718
Alternative minimum tax credit carryforward	**-**	2,068

Losses available for carryforward (recognized and unrecognized) are set to expire as follows:

	2018
2029	$ -
2030	-
2031 and thereafter	138,372
Total	**$ 138,372**

22 SHAREHOLDERS' CAPITAL

Just Energy is authorized to issue an unlimited number of common shares and 50,000,000 preference shares issuable in series, both with no par value. Shares outstanding have no preferences, rights or restrictions attached to them.

On February 7, 2017, Just Energy closed its underwritten public offering of 4,000,000 of its 8.50% Series A Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Shares (the "preferred shares") at a public offering price of US$25.00 per preferred share, for gross proceeds of US$100 million. In addition, concurrently with the closing of the public offering of preferred shares, Just Energy closed a non-brokered private placement of 40,000 preferred shares at a price of US$25.00 per preferred share, for gross proceeds of US$1 million.

Just Energy had the ability to make a normal course issuer bid ("NCIB") to purchase for cancellation a portion of the outstanding 5.75% convertible debentures as well as the Just Energy common shares up to March 16, 2018. Under each NCIB, Just Energy could have purchased debentures and common shares representing 10% of the outstanding public float at close of business February 28, 2017 up to daily and total limits. For the year ended March 31, 2018, Just Energy had purchased $11.9 million of common shares through the NCIB program, compared to $nil, purchased in the prior year.

Details of issued and outstanding shareholders' capital are as follows:

	Year ended March 31, 2018		Year ended March 31, 2017	
	Shares	**Amount**	Shares	Amount
Common shares:				
Issued and outstanding				
Balance, beginning of year	**147,013,538**	**$ 1,070,076**	147,183,778	$ 1,069,434
Share-based awards exercised	**1,643,156**	**11,954**	679,760	7,191
Acquisition of a subsidiary	**1,415,285**	**8,966**	-	-
Repurchase and cancellation of shares	**(1,677,827)**	**(11,941)**	(850,000)	(6,549)
Balance, end of year	**148,394,152**	**$ 1,079,055**	147,013,538	$ 1,070,076
Preferred shares:				
Issued and outstanding				
Balance, beginning of year	**4,040,000**	**$ 128,363**	-	$ -
Shares issued for cash	**283,300**	**9,260**	4,040,000	132,973
Preferred shares issuance cost	**-**	**(852)**	-	(4,610)
Balance, end of year	**4,323,300**	**$ 136,771**	4,040,000	$ 128,363
Shareholders' capital	**152,717,452**	**$ 1,215,826**	151,053,538	$ 1,198,439

23 SHARE-BASED COMPENSATION PLANS

(a) Stock option plan

Just Energy may grant awards under its 2010 share option plan (formerly the 2001 Unit Option Plan) to directors, officers, full-time employees and service providers (non-employees) of Just Energy and its subsidiaries and affiliates. In accordance with the share option plan, Just Energy may grant options to a maximum of 11,300,000 shares. As at March 31, 2018, there were 814,166 options still available for grant under the plan. Of the options issued, 500,000 options remain outstanding as at March 31, 2018 with an exercise price of $7.88. The exercise price of the share options equals the closing market price of the Company's shares on the last business day preceding the grant date. The share options vest over periods ranging from three to five years from the grant date and expire after five or ten years from the grant date. There were no new grants during fiscal 2018.

(b) Restricted share grants

Just Energy grants awards under the 2010 Restricted Share Grants Plan (formerly the 2004 unit appreciation rights, "UARs") in the form of fully paid RSGs to senior officers, employees and service providers of its subsidiaries and affiliates. As at March 31, 2018, there were 3,004,624 RSGs (2017 - 4,107,830) still available for grant under the plan. Of the RSGs issued, 1,635,882 remain outstanding as at March 31, 2018 (2017 - 1,668,780). Except as otherwise provided, (i) the RSGs vest from one to five years from the grant date providing, in most cases, on the applicable vesting date the RSG grantee continues as a senior officer, employee or service provider of Just Energy or any affiliate thereof; (ii) the RSGs expire no later than ten years from the grant date; (iii) a holder of RSGs is entitled to payments at the same rate as dividends paid to JEGI shareholders; and (iv) when vested, the holder of an RSG may exchange one RSG for one common share.

There are 420,000 RSGs granted to senior management that do not receive dividend payments. In addition to a continued employment condition for vesting, there are certain share price targets that must be met.

RSGs available for grant

	2018	2017
Balance, beginning of year	**4,107,830**	4,591,312
Less: Granted	**(1,716,743)**	(676,270)
Add: Cancelled/forfeited	**613,537**	192,788
Balance, end of year	**3,004,624**	4,107,830

The average grant date fair value of RSGs granted in the year was $6.94 (2017 - $7.91).

(c) Performance bonus grants

Just Energy grants awards under the 2013 performance bonus incentive plan (the "PBG Plan") in the form of fully paid PBGs to senior officers, employees, consultants and service providers of its subsidiaries and affiliates. As at March 31, 2018, there were 2,270,480 (2017 – 2,650,513) PBGs still available for grant under the PBG Plan. Of the PBGs issued, 1,050,094 remain outstanding as at March 31, 2018 (2017 – 1,158,025). Except as otherwise provided, (i) the PBGs will entitle the holder to be paid in three equal installments as one-third on each of the first, second and third anniversaries of the grant date providing, in most cases, on the applicable vesting date the PBG grantee continues as a senior officer, employee, consultant or service provider of Just Energy or any affiliate thereof; (ii) the PBGs expire no later than three years from the grant date; (iii) a holder of PBGs is entitled to payments at the same rate as dividends paid to JEGI shareholders; and (iv) when vested, Just Energy, at its sole discretion, shall have the option of settling payment for the PBGs, to which the holder is entitled in the form of either cash or in common shares.

PBGs available for grant

	2018	2017
Balance, beginning of year	**2,650,513**	2,842,409
Less: Granted	**(812,787)**	(278,680)
Add: Cancelled/forfeited	**432,754**	86,784
Balance, end of year	**2,270,480**	2,650,513

The average grant date fair value of PBGs granted in the year was $7.08 (2017 – $7.96).

(d) Deferred share grants

Just Energy grants awards under its 2010 Directors' Compensation Plan (formerly the 2004 Directors' deferred unit grants, "DUGs") to all independent directors on the basis that each director is required to annually receive 15% of their compensation entitlement in DSGs and/or common shares and may elect to receive all or any portion of the balance of their annual compensation in DSGs and/or common shares. The holders of DSGs and/or common shares are also granted additional DSGs/common shares on a monthly basis equal to the monthly dividends paid to the shareholders of Just Energy. The DSGs vest on the earlier of the date of the director's resignation or three years following the date of grant and expire ten years following the date of grant. As at March 31, 2018, there were 77,405 DSGs (2017 – 117,936) available for grant under the plan. Of the DSGs issued, 114,949 DSGs (2017 – 93,506) remain outstanding as at March 31, 2018.

DSGs available for grant

	2018	2017
Balance, beginning of year	**117,936**	147,430
Less: Granted	**(40,531)**	(29,494)
Balance, end of year	**77,405**	117,936

The weighted average grant date fair value of DSGs granted in the year was $6.32 (2017 – $7.54).

24 REPORTABLE BUSINESS SEGMENTS

Just Energy's reportable segments include the following: Consumer Energy and Commercial Energy. Just Energy has aggregated the operating segments into these reportable segments on the basis that the operating segments share economic characteristics. These characteristics include the nature of the product and services sold, the distribution methods, the type of customer class and the regulatory environment. The Consumer Energy segment includes cash and cash equivalents, as well as the long-term debt.

Transactions between operating segments are in the normal course of operations and are recorded at the exchange amount. Allocations made between segments for shared assets or allocated expenses are based on the number of customers in the respective segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. Just Energy is not considered to have any key customers.

For the year ended March 31, 2018

	Consumer division	Commercial division	Consolidated
Sales	$ 2,235,093	$ 1,391,477	$ 3,626,570
Gross margin	487,591	153,336	640,927
Administrative expenses	157,513	37,186	194,699
Selling and marketing expenses	157,997	75,043	233,040
Depreciation of property, plant and equipment	3,775	340	4,115
Amortization of intangible assets	12,707	3,992	16,699
Other operating expenses	69,884	4,800	74,684
Operating profit for the year	$ 85,715	$ 31,975	$ 117,690
Finance costs			(55,972)
Change in fair value of derivative instruments and other			474,356
Other income			3,174
Provision for income taxes			(20,674)
Profit for the year			$ 518,574
Capital expenditures	$ 32,252	$ 3,524	$ 35,776
Total goodwill	$ 147,252	$ 153,421	$ 300,673
Total assets	$ 1,180,741	$ 466,068	$1,646,809
Total liabilities	$ 875,587	$ 540,479	$ 1,416,066

For the year ended March 31, 2017

	Consumer division	Commercial division	Consolidated
Sales	$ 2,083,833	$ 1,673,221	$ 3,757,054
Gross margin	512,919	183,052	695,971
Administrative expenses	129,882	38,551	168,433
Selling and marketing expenses	142,883	83,425	226,308
Depreciation of property, plant and equipment	6,259	320	6,579
Amortization of intangible assets	13,637	2,304	15,941
Other operating expenses	51,914	10,203	62,117
Operating profit for the year	$ 168,344	$ 48,249	$ 216,593
Finance costs			(78,077)
Change in fair value of derivative instruments and other			374,791
Other income			807
Provision for income taxes			(43,231)
Profit for the year			$ 470,883
Capital expenditures	$ 17,681	$ 8,708	$ 26,389
Total goodwill	$ 146,669	$ 142,532	$ 289,201
Total assets	$ 712,899	$ 525,056	$ 1,237,955
Total liabilities	$ 1,214,561	$ 172,720	$ 1,387,281

Sales from external customers
The revenue is based on the location of the customer.

	For the year ended March 31, 2018	For the year ended March 31, 2017
Canada	**$ 414,183**	$ 476,208
United States	**2,465,794**	2,793,004
International	**746,593**	487,842
Total	**$ 3,626,570**	$ 3,757,054

Non-current assets
Non-current assets by geographic segment consist of property, plant and equipment and intangible assets and are summarized as follows:

	As at March 31, 2018	As at March 31, 2017
Canada	**$ 201,985**	$ 189,911
United States	**207,147**	182,840
International	**11,687**	6,918
Total	**$ 420,819**	$ 379,669

25 OTHER EXPENSES

(a) Other operating expenses

	For the year ended March 31, 2018	For the year ended March 31, 2017
Amortization of intangible assets	**$ 16,699**	$ 15,941
Depreciation of property, plant and equipment	**4,115**	6,579
Bad debt expense	**56,331**	56,041
Share-based compensation	**18,353**	6,076
	$ 95,498	$ 84,637

(b) Amortization and energy costs included in cost of sales in the consolidated statements of income

	For the year ended March 31, 2018	For the year ended March 31, 2017
Amortization	**$ 3,116**	$ 2,974
Direct energy costs and other	**2,982,527**	3,058,109
	$ 2,985,643	$ 3,061,083

(c) Employee benefits expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Wages, salaries and commissions	**$ 237,867**	$ 206,499
Benefits	**24,100**	19,946
	$ 261,967	$ 226,445

26 IMPAIRMENT TESTING OF GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE LIVES

Goodwill acquired through business combinations and intangible assets with indefinite lives have been allocated to one of five CGUs. These units are U.K. Consumer, North America Consumer, U.K. Commercial, North America Commercial and the Germany division. The goodwill associated with the EdgePower acquisition was not allocated to an operating segment for the purposes of the impairment test as at March 31, 2018.

For impairment testing, goodwill and brand have been allocated as follows as at March 31, 2018:

	Consumer division		Commercial division			
	North America	U.K.	North America	U.K.	Germany	Total
Goodwill	$ 128,502	$ 13,355	$ 153,421	$ –	$ 5,395	$ 300,673
Brand	15,405	–	14,800	–	–	30,205
	$ 143,907	$ 13,355	$ 168,221	$ –	$ 5,395	$ 330,878

For the year ended March 31, 2017, goodwill and brand were allocated to the following operating and reporting segments:

	Consumer	Commercial	Total
Goodwill	$ 146,669	$ 142,532	$ 289,201
Brand	16,491	14,663	31,154
	$ 163,160	$ 157,195	$ 320,355

Just Energy has historically performed its annual impairment test using a value-in-use, discounted cash flow projection model. The change in the goodwill impairment model was made for the purpose of reducing the amount of unobservable inputs and did not avoid or delay an impairment charge. Just Energy considers the relationship between its market capitalization and its book value, among other factors, when reviewing for indicators of impairment. As at March 31, 2018, the market capitalization of Just Energy was above the book value of its equity.

The recoverable amount of each of the CGUs has been determined based on a fair value less costs of disposal model using actual EBITDA of the operating segment multiplied by the entity's EBITDA multiple. The EBITDA multiple and the EBITDA of the CGU that have been utilized in the fair value less costs of disposal model are consistent with external sources of information and are considered a Level 2 input within the fair value hierarchy.

The EBITDA multiple is derived from the expected return on investment by Just Energy's investors, which equated to 8.5 for the year ended March 31, 2018. A 5% decrease in the EBITDA multiple would not have an impact on the results of the impairment test.

27 EARNINGS PER SHARE

	For the year ended March 31, 2018	For the year ended March 31, 2017
BASIC EARNINGS PER SHARE		
Profit as per consolidated statement of income	**$ 509,276**	$ 446,412
Dividend to preferred shareholders - net of tax	**8,364**	1,218
Earnings available to shareholders	**$ 500,912**	$ 445,194
Basic weighted average shares outstanding	**147,039,737**	147,589,186
Basic earnings per share available to shareholders	**$ 3.41**	$ 3.02
DILUTED EARNINGS PER SHARE		
Earnings available to shareholders	**500,912**	445,194
Adjustment for dilutive impact of convertible debentures	**22,407**	12,776
Adjusted earnings available to shareholders	**$ 523,319**	$ 457,970
Basic weighted average shares outstanding	**147,039,737**	147,589,186
Dilutive effect of:		
Restricted share and performance bonus grants	**2,924,587**	2,945,119
Deferred share grants	**95,536**	81,176
Convertible debentures	**49,979,055**	38,804,494
Shares outstanding on a diluted basis	**200,038,914**	189,419,975
Diluted earnings per share available to shareholders	**$ 2.62**	$ 2.42

28 CAPITAL DISCLOSURE

Just Energy defines capital as shareholders' equity (excluding accumulated other comprehensive income) and long-term debt. Just Energy's objectives when managing capital are to maintain flexibility by:

(i) enabling it to operate efficiently;

(ii) providing liquidity and access to capital for growth opportunities; and

(iii) providing returns and generating predictable cash flow for dividend payments to shareholders.

Just Energy manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather promotes year over year sustainable and profitable growth. Just Energy's capital management objectives have remained unchanged from the prior year. Just Energy is not subject to any externally imposed capital requirements other than financial covenants in its long-term debt, and as at March 31, 2018 and 2017, all of these covenants have been met.

29 RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL REMUNERATION

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial or operating decisions. The definition includes subsidiaries and other persons.

Subsidiaries

Transactions between Just Energy and its subsidiaries meet the definition of related party transactions. These transactions are eliminated on consolidation and are not disclosed in these consolidated financial statements.

Key management personnel

Just Energy's key management personnel, and persons connected with them, are also considered to be related parties for disclosure purposes. Key management personnel are defined as those individuals having authority and responsibility for planning, directing and controlling the activities of Just Energy and comprise of the Chair of the Board of Directors, the Co-Chief Executive Officers and the Chief Financial Officer.

During the years ended March 31, 2018 and 2017, Just Energy recorded the following as an expense related to these individuals:

	As at March 31, 2018	As at March 31, 2017
Salaries and benefits	**$ 8,939**	$ 7,199
Share-based compensation, net	**3,738**	3,223
	$ 12,677	$ 10,422

As at March 31, 2018, key management personnel held approximately 1,774,094 RSGs/PBGs (2017 - 2,126,745).

30 DIVIDENDS PAID

For the year ended March 31, 2018, dividends of $0.50 (2017 - $0.50) per common share were declared by Just Energy. These dividends amounted to $74,881 (2017 - $75,094), and were approved by the Board of Directors and were paid out during the year.

For the year ended March 31, 2018, dividends of US$2.125 (2017 - $0.3128) per preferred share were declared by Just Energy. These dividends amounted to $11,380 (2017 - $1,657), and were approved by the Board of Directors and were paid out during the year.

31 COMMITMENTS AND GUARANTEES

Commitments for each of the next five years and thereafter are as follows:

As at March 31, 2018

	Less than 1 year	1-3 years	4-5 years	More than 5 years	Total
Premises and equipment leasing	$ 4,874	$ 7,388	$ 6,691	$ 7,302	$ 26,255
Gas, electricity and non-commodity contracts	1,867,383	1,202,940	69,658	31,041	3,171,022
	$ 1,872,257	$ 1,210,328	$ 76,349	$ 38,343	$ 3,197,277

Just Energy has entered into leasing contracts for office buildings and administrative equipment. These leases have a leasing period of between one and eight years. No purchase options are included in any major leasing contracts. Just Energy is also committed under long term contracts with customers to supply gas and electricity. These contracts have various expiry dates and renewal options.

(a) Surety bonds and letters of credit

Pursuant to separate arrangements with Westchester Fire Insurance Company, Travelers Casualty and Surety Company of America, Berkley Insurance Company and Charter Brokerage LLC, Just Energy has issued surety bonds to various counterparties including states, regulatory bodies, utilities and various other surety bond holders in return for a fee and/or meeting certain collateral posting requirements. Such surety bond postings are required in order to operate in certain states or markets. Total surety bonds issued as at March 31, 2018 amounted to $56.5 million.

As at March 31, 2018, Just Energy had total letters of credit outstanding in the amount of $113.4 million (Note 19(a)).

(b) Officers and directors

Corporate indemnities have been provided by Just Energy to all directors and certain officers of its subsidiaries and affiliates for various items including, but not limited to, all costs to settle suits or actions due to their association with Just Energy and its subsidiaries and/or affiliates, subject to certain restrictions. Just Energy has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. Each indemnity, subject to certain exceptions, applies for so long as the indemnified person is a director or officer of one of Just Energy's subsidiaries and/or affiliates. The maximum amount of any potential future payment cannot be reasonably estimated.

(c) Operations

In the normal course of business, Just Energy and/or Just Energy's subsidiaries and affiliates have entered into agreements that include guarantees in favour of third parties, such as purchase and sale agreements, leasing agreements and transportation agreements. These guarantees may require Just Energy and/or its subsidiaries to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulation or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The maximum payable under these guarantees is estimated to be $78.6 million.

32 ADJUSTMENTS REQUIRED TO REFLECT NET CASH RECEIPTS FROM GAS SALES

	2018	2017
Changes in:		
Accrued gas receivable	**$ 459**	$ (2,735)
Gas delivered in excess of consumption	**516**	3,106
Accrued gas payable	**(276)**	1,284
Deferred revenue	**(3,575)**	(2,336)
	$ (2,876)	$ (681)

33 CHANGES IN NON-CASH WORKING CAPITAL

	As at March 31, 2018	As at March 31, 2017
Accounts receivable and unbilled revenues	**$ (108,900)**	$ 18,069
Gas in storage	**538**	(9,282)
Prepaid expenses and deposits	**(15,534)**	3,361
Provisions	**(3,501)**	(9,774)
Trade and other payables	**90,972**	(25,130)
	$ (36,425)	$ (22,756)

34 SUBSEQUENT EVENTS

Subsequent to March 31, 2018, the Company has renegotiated an agreement with a syndicate of lenders that includes CIBC, National Bank of Canada ("National"), HSBC Bank Canada, JPMorgan Chase Bank N.A., Alberta Treasury Branches and Canadian Western Bank. In addition, Morgan Stanley Senior Funding, Inc., a subsidiary of Morgan Stanley Bank N.A., joined the syndicate. The agreement was finalized on April 18, 2018 and extends Just Energy's credit facility for an additional two years to September 1, 2020. The facility size was increased to $352.5 million from $342.5 million, with an accordion for Just Energy to draw up to $370.0 million.

35 COMPARATIVE CONSOLIDATED FINANCIAL STATEMENTS

Certain figures in the comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the current year's consolidated financial statements.

CORPORATE INFORMATION

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Shares Listed

Toronto Stock Exchange
Trading symbol: JE

New York Stock Exchange
Trading symbol: JE

Annual General Meeting

The Exchange Tower
2 First Canadian Place
130 King Street West
Toronto, ON
10:00 am Eastern
June 27, 2018

Concept and Design: **THE WORKS DESIGN COMMUNICATIONS worksdesign.com** Executive Photography: **David Graham White**

just energy



Green Star Energy

Hudson Energy

Interactive energy group

just energy Advanced Solutions

Tara Energy

terrapass

EDGEPOWER

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Case No(s). 02-1828-GA-CRS

Summary: Application - Renewal Certification Competitive Retail Natural Gas Suppliers - Exhibit C-1 (Part 7 of 7) electronically filed by Mrs. Gretchen L. Petrucci on behalf of Just Energy Solutions Inc.