



CLP Envirogas

Bellhouse Energy Limited

Annual report and financial statements

for the year ended 31 March 2013

Registered number 03466081

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COMPANIES HOUSE

Directors and advisers

Directors

E J Wilkinson
J D Paton

Company secretary

Eversecretary Limited
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Bankers

BNP Paribas
5 Aldermanbury Square
London
EC2V 7HR

Registered office

Units 14 & 15 Queensbrook
Bolton Technology Exchange
Spa Road
Bolton
Lancashire
BL1 4AY

Directors' report for the year ended 31 March 2013

The directors present their report and the audited financial statements for the company for the year ended 31 March 2013

Principal activities and business review

The principal activity of the company is the generation of electricity from landfill gas. The results for the year and financial position at the year end were satisfactory.

Results and dividends

The profit for the financial year amounted to £486,427 (2012: £529,484).

The directors do not recommend the payment of a dividend (2012: £nil).

Directors

The directors of the company, who held office during the year and up to the date of signing the financial statements, are given below:

E J Wilkinson

H H P Wyndham (resigned 31 October 2012)

J D Paton (appointed 10 July 2012)

Directors' third-party indemnity provision

A qualifying third-party indemnity provision as defined in section 234 of the Companies Act 2006 was in force throughout the financial year for the benefit of each of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which directors may not be indemnified, the company maintained a directors' and officers' liability insurance policy throughout the financial year.

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with those of the group and are not managed separately. The group has an agreed formal risk management policy and framework that covers identification, mitigation, control, monitoring and review of risks on a regular basis. Further discussion of group wide risks is provided within the directors' report of MEIF LG Holding Limited which does not form part of this report.

Key performance indicators

The directors of MEIF LG Holding Limited manage the group's operations on a group wide basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Bellhouse Energy Limited. The development, performance and position of MEIF LG Holding Limited, which includes this company, is discussed in the group's annual report which does not form part of this report.

Financial risk management

Given that the status of the company is that of a small trading company providing services to CLPE Projects 1 Limited, its parent company, it is exposed to limited financial risks. Those financial risks the group faces have been disclosed within the financial statements of MEIF LG Holding Limited for the year ended 31 March 2013. Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the finance department of MEIF LG Holding Limited.

Directors' report for the year ended 31 March 2013

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement of disclosure of information to auditors

So far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

In accordance with section 487(2) of the Companies Act 2006 the auditors, PricewaterhouseCoopers LLP, are deemed to be re-appointed.

By order of the board



E J Wilkinson
Director

2 August 2013

Independent auditors' report

to the members of Bellhouse Energy Limited

We have audited the financial statements of Bellhouse Energy Limited for the year ended 31 March 2013 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

to the members of Bellhouse Energy Limited (continued)

Matters on which we are required to report by exception

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

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



Martha Cannon (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

2 August 2013

Profit and loss account

for the year ended 31 March 2013

	Notes	2013 £	2012 £
Turnover	2	1,170,298	1,269,974
Cost of sales		(504,076)	(530,074)
Gross profit		666,222	739,900
Administrative expenses		(26,168)	(26,160)
Profit on ordinary activities before taxation	3	640,054	713,740
Tax on profit on ordinary activities	5	(153,627)	(184,256)
Profit for the financial year	11	486,427	529,484

All items dealt with in the profit and loss account above relate to continuing operations

There is no material difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents

The company has no recognised gains or losses other than the results above and therefore no separate statement of total recognised gains and losses has been prepared

Balance Sheet

as at 31 March 2013

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	6	71,089	151,545
Current assets			
Debtors	7	4,488,076	3,768,143
Creditors amounts falling due within one year	8	(819,925)	(651,107)
Net current assets		3,668,151	3,117,036
Total assets less current liabilities		3,739,240	3,268,581
Provisions for liabilities	9	(35)	(15,803)
Net assets		3,739,205	3,252,778
Capital and reserves			
Called up share capital	10	10,000	10,000
Profit and loss account	11	3,729,205	3,242,778
Total shareholders' funds	12	3,739,205	3,252,778

The financial statements on pages 6 to 14 were approved by the board of directors on 2 August 2013 and were signed on its behalf by



E J Wilkinson
Director

Registered number: 03466081

Notes to the financial statements

for the year ended 31 March 2013

1. Accounting policies

Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. A summary of the more important accounting policies, which have been applied consistently, are set out below.

Cash flow statement

The directors have taken advantage of the exemption in FRS 1 (revised 1996) 'Cash flow statements', from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Group relief

Amounts receivable/payable in respect of tax losses surrendered to/by group companies are recognised in the year in which the losses are surrendered.

Turnover

Turnover represents the invoiced value of goods and services for electricity supplied, net of value added tax and trade discounts. Turnover is recognised when electricity generated is exported to third party customers. Income from recycled renewable obligation certificates ('Recycled ROC') is recognised when the amount is known with reasonable certainty.

Accrued income comprises income relating to the current year, which has not been invoiced as at the balance sheet date.

Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Finance costs incurred during the development stage of a project are capitalised, along with site preparation costs, installation costs and connection costs. Once the project is commissioned, these costs are depreciated over the estimated useful economic life of the asset constructed.

Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives from commissioning using the straight line basis. The expected useful lives of the assets to the business are reassessed periodically in the light of experience.

Straight line annual rates of depreciation most widely used are:

Plant and machinery	6 67% and 20%
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Notes to the financial statements

for the year ended 31 March 2013

1. Accounting policies (continued)

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date

Financial instruments

As the company has not elected to adopt FRS 26, "Financial Instruments Recognition and Measurement", it is entitled to, and has claimed exemption from, the disclosure requirements of FRS 29, "Financial Instruments Disclosures". Financial assets and financial liabilities are recognised upon becoming a party to the contractual provisions of the instrument

Trade debtors

Trade debtors are non-interest bearing and are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts

Trade creditors

Trade creditors are not interest bearing and are stated at their nominal value

Financial liabilities

Financial liabilities instruments are classified according to the substance of the contractual arrangements entered into

Equity interests

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs

2. Turnover

Turnover arises solely from the company's principal activities in the United Kingdom, net of value added tax

Notes to the financial statements

for the year ended 31 March 2013

3. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation are stated after charging

	2013	2012
	£	£
Auditors' remuneration – for audit services	2,220	2,172
Depreciation of tangible fixed assets	80,456	82,165

4. Employee information

The company paid no remuneration or wages to its directors during the year (2012 £nil) and had no other employees during the year (2012 nil). The emoluments of E J Wilkinson are paid by other group companies and recharged to CLP Envirogas Ltd as part of a management charge. This management charge also includes a recharge of administration costs borne by the parent companies on behalf of the company and it is not possible to identify separately the amount of directors' emoluments. The emoluments of H H P Wyndham and J D Paton are paid by and disclosed in the accounts of CLP Envirogas Ltd.

5. Tax on profit on ordinary activities

a) Analysis of charge in the year

	2013	2012
	£	£
Current tax		
Group relief payable	169,185	201,102
Adjustment in respect of prior periods	210	-
Total current tax charge	169,395	201,102
Deferred tax		
Origination and reversal of timing differences	(15,572)	(15,530)
Change in tax rate	(1)	(1,316)
Adjustments in respect of prior periods	(195)	-
Total deferred tax credit (note 9)	(15,768)	(16,846)
Tax on profit on ordinary activities	153,627	184,256

Notes to the financial statements

for the year ended 31 March 2013

5. Tax on profit on ordinary activities (continued)

b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year differs to the standard rate of corporation tax in the UK of 24% (2012 26%) The differences are reconciled below

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>640,054</u>	<u>713,740</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax of 24% (2012 26%)	<u>153,613</u>	<u>185,572</u>
Effects of		
Depreciation in excess of capital allowances	15,572	15,530
Adjustments in respect of prior periods	210	-
Total current tax charge	<u>169,395</u>	<u>201,102</u>

c) Factors that may affect future charges

Announcements were made during the year by the Chancellor of the Exchequer of proposed changes to corporation tax rates which will have an effect on the future tax charge of the company A reduction in the corporation tax rate from 24% to 23% from 1 April 2013 was substantively enacted during the year Subsequent reductions in the tax rate to 21% from 1 April 2014 and to 20% from 1 April 2015 were also announced but had not been enacted at the balance sheet date Consequently, deferred tax has been calculated at the year end using a tax rate of 23% The effect of the reduction in rate from 23% to 20% on the deferred tax balance has not been quantified as it is not considered to be material to the financial statements

Notes to the financial statements

for the year ended 31 March 2013

6. Tangible fixed assets

	<i>Plant and Machinery</i> £
Cost	
At 1 April 2012 and 31 March 2013	<u>1,188,901</u>
Accumulated depreciation	
At 1 April 2012	1,037,356
Charge for the year	80,456
At 31 March 2013	<u>1,117,812</u>
Net book value	
At 31 March 2013	<u><u>71,089</u></u>
At 31 March 2012	<u><u>151,545</u></u>

7. Debtors

	<i>2013</i> £	<i>2012</i> £
Trade debtors	5,639	6,008
Amounts owed by parent undertaking	4,285,176	3,536,021
Prepayments and accrued income	197,261	226,114
	<u><u>4,488,076</u></u>	<u><u>3,768,143</u></u>

The amounts owed by parent undertaking are unsecured, do not bear interest, and are repayable on demand

8. Creditors. amounts falling due within one year

	<i>2013</i> £	<i>2012</i> £
Amounts owed to group undertakings	773,960	604,565
Taxation and social security	940	1,001
Accruals and deferred income	45,025	45,541
	<u><u>819,925</u></u>	<u><u>651,107</u></u>

The amounts owed to group undertakings are unsecured, do not bear interest, and are repayable on demand

Notes to the financial statements

for the year ended 31 March 2013

9. Provision for liabilities

Deferred tax

	2013 £	2012 £
Provision for deferred tax comprises		
Accelerated capital allowances	35	15,803
At 1 April	15,803	32,649
Deferred tax credit in profit and loss account for year (note 5(a))	(15,768)	(16,846)
At 31 March	35	15,803

Deferred tax has been calculated at 23% (2012 24%)

10. Called up share capital

	2013 £	2012 £
<i>Authorised</i>		
10,000 (2012 10,000) ordinary shares of £1 each	10,000	10,000
<i>Allotted and fully paid</i>		
10,000 (2012 10,000) ordinary shares of £1 each	10,000	10,000

11. Profit and loss account

	<i>Profit and loss account £</i>
At 1 April 2012	3,242,778
Profit for the financial year	486,427
At 31 March 2013	3,729,205

Notes to the financial statements

for the year ended 31 March 2013

12. Reconciliation of movements in total shareholders' funds

	2013 £	2012 £
Opening total shareholders' funds	3,252,778	2,723,294
Profit for the financial year	486,427	529,484
Closing total shareholders' funds	<u>3,739,205</u>	<u>3,252,778</u>

13. Contingent liabilities

At 31 March 2013 the company was guarantor with other group companies, of loans totalling £82,186,000 (2012 £87,788,000), made by the group's bankers

14. Related party transactions

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS 8, "Related party disclosures" on the grounds that it is a wholly owned subsidiary of a group headed by Macquarie European Infrastructure Fund LP

15. Ultimate parent undertaking

CLPE Projects 1 Limited is the immediate parent undertaking and Macquarie European Infrastructure Fund LP (an English limited partnership with its registered office at PO Box 60, Carinthia House, 9-12 The Grange, St Peter Port, Guernsey, GY1 4BF) is the ultimate parent undertaking and controlling party

MEIF LG Energy Limited is the holding company of the smallest group of undertakings for which group financial statements are drawn up and Macquarie European Infrastructure Fund LP is the holding company of the largest group of undertakings for which group financial statements are drawn up. Copies of these financial statements are available from the address above