

REGISTERED NUMBER: 04425795 (England and Wales)

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014
FOR
TROPICAL POWER LIMITED**

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TROPICAL POWER LIMITED (REGISTERED NUMBER: 04425795)

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FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014**

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TROPICAL POWER LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014**

DIRECTORS:

P M Mason
P A R Mason
T S D Morton

SECRETARY:

T Eustace

REGISTERED OFFICE:

30 Upper High Street
Thame
Oxfordshire
OX9 3EZ

REGISTERED NUMBER:

04425795 (England and Wales)

AUDITORS:

Richardsons
Chartered Accountants
Statutory Auditors
30 Upper High Street
Thame
Oxfordshire
OX9 3EZ

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014**

The directors present their report with the financial statements of the company and the group for the period 1 April 2014 to 31 December 2014.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2014 to the date of this report.

P M Mason
P A R Mason

Other changes in directors holding office are as follows:

T S D Morton was appointed as a director after 31 December 2014 but prior to the date of this report.

J M R Mcmillan was appointed as a director after 31 December 2014 and had resigned as a director prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 elected to prepare 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 the group and of the profit or loss of the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS


The auditors, Richardsons, will be proposed for re-appointment at the forthcoming Annual General Meeting.

TROPICAL POWER LIMITED

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014**

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

ON BEHALF OF THE BOARD:


.....
P M Mason - Director

Date: 9 March 2016.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TROPICAL POWER LIMITED

We have audited the financial statements of Tropical Power Limited for the period ended 31 December 2014 on pages six to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2014 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TROPICAL POWER LIMITED**

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report or in preparing the Report of the Directors.

Simon Husband (Senior Statutory Auditor)
for and on behalf of Richardsons
Chartered Accountants
Statutory Auditors
30 Upper High Street
Thame
Oxfordshire
OX9 3EZ

Date: 9th March 2016

TROPICAL POWER LIMITED (REGISTERED NUMBER: 04425795)

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014**

	Notes	Period 1/4/14 to 31/12/14 £	Year Ended 31/3/14 £
TURNOVER		466,906	2,965,902
Cost of sales		444,036	2,719,925
GROSS PROFIT		22,870	245,977
Administrative expenses		305,291	196,899
OPERATING (LOSS)/PROFIT	2	(282,421)	49,078
Interest receivable and similar income		29	623
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(282,392)	49,701
Tax on (loss)/profit on ordinary activities	3	-	-
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD FOR THE GROUP		(282,392)	49,701

The notes form part of these financial statements


TROPICAL POWER LIMITED (REGISTERED NUMBER: 04425795)

**CONSOLIDATED BALANCE SHEET
31 DECEMBER 2014**

	Notes	31/12/14 £	31/3/14 £
FIXED ASSETS			
Intangible assets	5	1,510	-
Tangible assets	6	50,781	-
Investments	7	-	-
		<u>52,291</u>	<u>-</u>
CURRENT ASSETS			
Stocks		560,569	501,308
Debtors	8	2,356,905	3,050,049
Cash at bank and in hand		128,316	84,001
		<u>3,045,790</u>	<u>3,635,358</u>
CREDITORS			
Amounts falling due within one year	9	519,665	774,550
		<u>519,665</u>	<u>774,550</u>
NET CURRENT ASSETS		<u>2,526,125</u>	<u>2,860,808</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,578,416</u>	<u>2,860,808</u>
CAPITAL AND RESERVES			
Called up share capital	10	5,774,215	5,774,215
Profit and loss account		(3,195,799)	(2,913,407)
		<u>2,578,416</u>	<u>2,860,808</u>
SHAREHOLDERS' FUNDS		<u>2,578,416</u>	<u>2,860,808</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 9.3.2016 and were signed on its behalf by:


.....
P M Mason - Director

The notes form part of these financial statements

TROPICAL POWER LIMITED (REGISTERED NUMBER: 04425795)

COMPANY BALANCE SHEET
31 DECEMBER 2014

	Notes	31/12/14 £	31/3/14 £
FIXED ASSETS			
Intangible assets	5	-	-
Tangible assets	6	858	-
Investments	7	708	708
		<u>1,566</u>	<u>708</u>
CURRENT ASSETS			
Stocks		390,738	501,308
Debtors	8	2,351,481	3,050,049
Cash at bank		127,556	84,001
		<u>2,869,775</u>	<u>3,635,358</u>
CREDITORS			
Amounts falling due within one year	9	280,841	775,258
		<u>280,841</u>	<u>775,258</u>
NET CURRENT ASSETS		<u>2,588,934</u>	<u>2,860,100</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,590,500</u>	<u>2,860,808</u>
CAPITAL AND RESERVES			
Called up share capital	10	5,774,215	5,774,215
Profit and loss account		(3,183,715)	(2,913,407)
		<u>2,590,500</u>	<u>2,860,808</u>
SHAREHOLDERS' FUNDS		<u>2,590,500</u>	<u>2,860,808</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 9 March 2015 and were signed on its behalf by:



P M Mason - Director

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of services, excluding sales tax.

Tangible fixed assets

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

Plant and machinery etc - 25% straight line basis

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Intangible assets

Costs that are directly associated with identifiable and unique software products and will generate economic benefits exceeding costs beyond one year are recognised as intangible assets. These are amortised using the straight-line method over their expected useful lives.

2. OPERATING (LOSS)/PROFIT

The operating loss (2014 - operating profit) is stated after charging:

	Period 1/4/14 to 31/12/14 £	Year Ended 31/3/14 £
Depreciation - owned assets	16,120	-
Computer software amortisation	377	-
Foreign exchange differences	176,974	2,573
	<u> </u>	<u> </u>
Directors' remuneration and other benefits etc	-	-
	<u> </u>	<u> </u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014

3. TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the period ended 31 December 2014 nor for the year ended 31 March 2014.

4. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(270,308) (2014 - £49,701 profit).

5. INTANGIBLE FIXED ASSETS**Group**

	Other intangible assets £
COST	
Additions	1,887
At 31 December 2014	<u>1,887</u>
AMORTISATION	
Charge for period	377
At 31 December 2014	<u>377</u>
NET BOOK VALUE	
At 31 December 2014	<u><u>1,510</u></u>

6. TANGIBLE FIXED ASSETS**Group**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
Additions	2,135	62,479	2,287	66,901
At 31 December 2014	<u>2,135</u>	<u>62,479</u>	<u>2,287</u>	<u>66,901</u>
DEPRECIATION				
Charge for period	214	15,620	286	16,120
At 31 December 2014	<u>214</u>	<u>15,620</u>	<u>286</u>	<u>16,120</u>
NET BOOK VALUE				
At 31 December 2014	<u><u>1,921</u></u>	<u><u>46,859</u></u>	<u><u>2,001</u></u>	<u><u>50,781</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014

6. TANGIBLE FIXED ASSETS - continued

Company

	Computer equipment £
COST	
Additions	1,144
At 31 December 2014	1,144
DEPRECIATION	
Charge for period	286
At 31 December 2014	286
NET BOOK VALUE	
At 31 December 2014	858

7. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 April 2014 and 31 December 2014	708
NET BOOK VALUE	
At 31 December 2014	708
At 31 March 2014	708

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Tropical Power Kenya

Country of incorporation: Kenya

Nature of business: Conversion of biomass to energy

Class of shares:	%
Ordinary shares	holding 99.80

Aggregate capital and reserves

Loss for the period/year

31/12/14
£
(16,402)
(17,099)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31/12/14	31/3/14	31/12/14	31/3/14
	£	£	£	£
Trade debtors	2,349,097	3,035,929	2,349,805	3,035,929
Other debtors	7,808	14,120	1,676	14,120
	<u>2,356,905</u>	<u>3,050,049</u>	<u>2,351,481</u>	<u>3,050,049</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31/12/14	31/3/14	31/12/14	31/3/14
	£	£	£	£
Trade creditors	117,878	649,288	111,934	649,288
Amounts owed to group undertakings	-	-	708	708
Taxation and social security	154	-	154	-
Other creditors	401,633	125,262	168,045	125,262
	<u>519,665</u>	<u>774,550</u>	<u>280,841</u>	<u>775,258</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31/12/14	31/3/14
Number:	Class:	Nominal value:	£	£
1,000	Ordinary	£1	1,000	1,000
481,250	Ordinary A	£1	481,250	481,250
3,041,500	Ordinary B	£1	3,041,500	3,041,500
2,250,465	Ordinary C	£1	2,250,465	2,250,465
			<u>5,774,215</u>	<u>5,774,215</u>

11. RESERVES

Group	Profit and loss account £
At 1 April 2014	(2,913,407)
Deficit for the period	<u>(282,392)</u>
At 31 December 2014	<u><u>(3,195,799)</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 APRIL 2014 TO 31 DECEMBER 2014

11. RESERVES - continued**Company**

	Profit and loss account £
At 1 April 2014	(2,913,407)
Deficit for the period	(270,308)
At 31 December 2014	<u>(3,183,715)</u>

12. RELATED PARTY DISCLOSURES**Biojoule Kenya Limited**

By virtue of common control

During the year purchases of £227,891 (2014: £nil) were made, on a commercial and arm's-length basis, from Biojoule Kenya Limited.

During the year sales of £466,906 (2014: £2,965,902) were made, on a commercial and arm's-length basis, to Biojoule Kenya Limited

	31/12/14 £	31/3/14 £
Amount due from related party at the balance sheet date	<u>2,116,190</u>	<u>2,965,902</u>

P M Mason

A director of the company

During the year, P M Mason continued to provide a loan to the company. The loan is interest-free and there are no fixed dates for repayment.

	31/12/14 £	31/3/14 £
Amount due to related party at the balance sheet date	<u>99,870</u>	<u>71,658</u>

Dr P A R Mason

A director of the company

During the year, P A R Mason continued to provide a loan to the company. The loan is interest-free and there are no fixed dates for repayment.

	31/12/14 £	31/3/14 £
Amount due to related party at the balance sheet date	<u>35,850</u>	<u>35,850</u>

13. DEFERRED TAX ASSET

At 31 December 2014 there existed a potential deferred tax asset of £527,635 (31 March 2014: £470,614) in respect of unrelieved trading losses. This has not been reflected as an asset given the uncertainty of future revenue streams.