

# COMPANIES HOUSE COPY

## **Bio Wayste Limited**

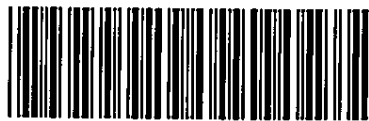
Report and Financial Statements

Year Ended

30 June 2009

Company Number 05016840

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COMPANIES HOUSE

**BDO**

# **Bio Wayste Limited**

## **Report and financial statements for the year ended 30 June 2009**

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### **Directors**

B J Howard  
P Ditchfield  
A I Whitmill  
T O'Flynn

### **Secretary and registered office**

A I Whitmill, Summer Farm, West Haddon Road, Crick, Northampton, NN6 7SQ

### **Company number**

05016840

### **Auditors**

BDO LLP, 125 Colmore Row, Birmingham, B3 3SD

# Bio Wayste Limited

## Report of the directors for the year ended 30 June 2009

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The directors present their report together with the audited financial statements for the year ended 30 June 2009

### Results and dividends

The profit and loss account is set out on page 6 and shows the loss for the year

The directors do not recommend the payment of a dividend

### Principal activities, review of business and future developments

The principal activity of the company during the year was the process and gasification of food waste

The Directors are satisfied with the performance of the company during the year. On the 17 September 2009, the company was acquired by BioWayste Systems Limited, a company in which the Royal Bank of Scotland have an equity stake. The new owners are committed to developing the Crick plant to deliver its full potential and will provide funds to support the business as required.

### Key performance indicators

The key performance indicators of the company are as follows

- Turnover
- Gate fee income
- Electricity sales

### Principal risks and uncertainties

The company uses various financial instruments including cash and bank overdrafts that arise directly from the company's operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below. The main risks arising from the company's financial instruments are liquidity risk and interest rate risk. The directors review and agree policies for managing each of these risks.

#### *Liquidity risk*

Liquidity risk is that the group does not have sufficient liquid assets to meet its obligations as they fall due. Liquidity is maintained at a prudent level and the company ensures there is an adequate liquidity buffer to cover contingencies. The company maintains sufficient cash and open committed credit lines from its bankers to meet its funding requirements and monitors cash flow as part of its day to day control procedures.

#### *Interest rate risk*

The company finances its operations through overdrafts. Cash is managed to maximise investment while avoiding inherent risk.

### Financial instruments

Details of the use of financial instruments by the company and its subsidiary undertakings are contained in note 10 of the financial statements.

# Bio Wayste Limited

## Report of the directors for the year ended 30 June 2009 (continued)

### Post balance sheet events

On 16 September 2009, Barry Howard Homes Limited formally waived its legal entitlement to the intercompany loan balance outstanding as at 30 June 2009, amounting to £332,491

On the same day, Barry Howard Group Plc formally waived its legal entitlement to the intercompany loan balance outstanding at 30 June 2009, amounting to £805,145

On 17 September 2009, Bio Wayste Limited was acquired by BioWayste Systems Limited for consideration of £908,000

### Accounting reference date

These financial statements represent the twelve month trading period from 1 July 2008 to 30 June 2009. The comparative figures represent the 18 month period from 1 January 2007 to 30 June 2008

### Un-audited balance sheet as at 30 September 2009

	<i>Un-audited</i>	
	<i>Period ended 30 September 2009 £</i>	<i>Year ended 30 June 2009 £</i>
<b>Fixed assets</b>		
<i>Tangible assets</i>	249,667	240,545
<b>Current assets</b>		
<i>Debtors</i>	133,170	109,214
<i>Cash at bank and in hand</i>	39	-
	133,209	109,214
<b>Creditors amounts falling due within one year</b>	281,937	1,344,572
<b>Net current liabilities</b>	(148,728)	(1,235,358)
<b>Total assets less current liabilities</b>	100,939	(994,813)
<b>Creditor amounts falling due after more than one year</b>	2,335	6,307
	98,604	(1,001,120)
<b>Capital and reserves</b>		
<i>Called up share capital</i>	100	100
<i>Profit and loss account</i>	98,504	(1,001,220)
	98,604	(1,001,120)

# Bio Wayste Limited

## Report of the directors for the year ended 30 June 2009 (*continued*)

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### Directors

The directors of the company during the year were.

B J Howard  
P Ditchfield (appointed 1 April 2009)  
A I Whitmill  
T O'Flynn (appointed 1 April 2009)  
W A Main (resigned 21 January 2009)

### Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The directors are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the directors to prepare financial statements for each financial year which 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent; and
- 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 show and explain the company's transactions, 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

### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

### On behalf of the board



A I Whitmill  
Director

Date 30 March 2010

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# **Bio Wayste Limited**

## **Independent auditor's report**

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### **TO THE MEMBERS OF BIO WAYSTE LIMITED**

We have audited the financial statements of Bio Wayste Limited for the year ended 30 June 2009 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).

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

### **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 30 June 2009 and of its loss 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.

# Bio Wayste Limited

## Independent auditor's report (*continued*)

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### 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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime

*BDO LLP*

Stephen Ward (*senior statutory auditor*)  
For and on behalf of BDO LLP, statutory auditor  
Birmingham  
United Kingdom

Date *31 March 2010*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)



# Bio Wayste Limited

## Profit and loss account for the year ended 30 June 2009

	Note	Year ended 30 June 2009 £	Period ended 30 June 2008 £
Administrative expenses		111,462	261,574
		<u>(111,462)</u>	<u>(261,574)</u>
Other operating income		14,497	-
		<u>14,497</u>	<u>-</u>
<b>Operating loss</b>	2	<b>(96,965)</b>	<b>(261,574)</b>
Interest payable and similar charges	4	(12,772)	(17,239)
		<u>(12,772)</u>	<u>(17,239)</u>
<b>Loss on ordinary activities before and after taxation for the financial year</b>		<b>(109,737)</b>	<b>(278,813)</b>
		<u><u>(109,737)</u></u>	<u><u>(278,813)</u></u>

All amounts relate to continuing activities

All recognised gains and losses in the current year and prior period are included in the profit and loss account

The notes on pages 8 to 16 form part of these financial statements

# Bio Wayste Limited

## Balance sheet at 30 June 2009

<i>Company number 05016840</i>	Note	30 June 2009 £	30 June 2009 £	30 June 2008 £	30 June 2008 £
<b>Fixed assets</b>					
Tangible assets	6		240,545		143,312
Fixed asset investments	7		-		200
			<u>240,545</u>		<u>143,512</u>
<b>Current assets</b>					
Debtors	8	109,214		-	
Cash at bank and in hand		-		862	
		<u>109,214</u>		<u>862</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>1,344,572</u>		<u>985,293</u>	
<b>Net current liabilities</b>			<u>(1,235,358)</u>		<u>(984,431)</u>
<b>Total assets less current liabilities</b>			<u>(994,813)</u>		<u>(840,919)</u>
<b>Creditors: amounts falling due after more than one year</b>	10		<u>6,307</u>		<u>50,464</u>
			<u>(1,001,120)</u>		<u>(891,383)</u>
<b>Capital and reserves</b>					
Called up share capital	11		100		100
Profit and loss account	12		<u>(1,001,220)</u>		<u>(891,483)</u>
<b>Shareholders' deficit</b>	13		<u>(1,001,120)</u>		<u>(891,383)</u>

The financial statements were approved by the board of directors and authorised for issue on 30 March 2010



A I Whitmill  
Director

The notes on pages 8 to 16 form part of these financial statements



# Bio Wayste Limited

## Notes forming part of the financial statements for the year ended 30 June 2009

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### 1 Accounting policies

The financial statements have been prepared under the historical cost convention

The following principal accounting policies have been applied

#### *Going concern*

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on Page 1

As at 30 June 2009, the company has a balance sheet deficit of £1,001,120 (2008 - £891,383) The directors consider that the outlook presents significant challenges in terms of new customers and sales volumes Whilst the directors have instituted measures to preserve cash and secure additional finance, these circumstances create material uncertainties over future trading and cash flows

On 16 September 2009, Barry Howard Homes Limited and Barry Howard Group Plc formally waived their legal entitlement to the intercompany loan balances outstanding at 30 June 2009 amounting to £332,491 and £805,145 The formal waiver of these intercompany loan balances resulted in a return to shareholders' funds as at September 2009

On 17 September 2009, Bio Wayste Limited was acquired by BioWayste Systems Limited for consideration of £908,000 becoming a wholly owned subsidiary of BioWayste Systems Limited

BioWayste Systems Limited entered into new loan facilities of £4 0m, which superseded and replaced all existing loan facilities with The Royal Bank of Scotland plc, over a 2 and 5 year term from the date of draw down

The Group's forecasts and projections, taking into account of reasonably possible changes in trading performance, show that the Group should be able to operate within the levels of these facilities

After making enquiries, and considering the uncertainties described above, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future For these reasons, they continue to adopt the going concern basis in preparing the annual reports and accounts

#### *Consolidated financial statements*

The company is exempt under section 402 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the directors consider that all of the company's subsidiaries may be excluded from consolidation for the reasons set out in note 7 These financial statements therefore present information about the company as an individual undertaking and not about its group

#### *Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Barry Howard Group Plc and the company is included in consolidated financial statements

# Bio Wayste Limited

## Notes forming part of the financial statements for the year ended 30 June 2009 (continued)

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### 1 Accounting policies (continued)

#### *Depreciation*

Depreciation is provided to write off the cost of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Plant and machinery	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance
Office equipment	- 25% reducing balance

#### *Financial instruments*

Financial instruments are measured initially and subsequently at cost.

#### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

# Bio Wayste Limited

Notes forming part of the financial statements  
for the year ended 30 June 2009 (*continued*)

## 2 Operating loss

	Year ended 30 June 2009 £	Period ended 30 June 2008 £
This is arrived at after charging		
Depreciation of tangible fixed assets	42,488	85,989
Auditors' remuneration - fees payable to the company's auditor for the audit of the company's annual accounts	10,000	-
	<u>          </u>	<u>          </u>

## 3 Directors and employees

No director or employee received any emoluments during the current year (2008 - £Nil)

## 4 Interest payable and similar charges

	Year ended 30 June 2009 £	Period ended 30 June 2008 £
Bank loans and overdrafts	2,116	1,011
Finance leases and hire purchase contracts	10,656	16,228
	<u>          </u>	<u>          </u>
	12,772	17,239
	<u>          </u>	<u>          </u>

# Bio Wayste Limited

## Notes forming part of the financial statements for the year ended 30 June 2009 (continued)

### 5 Taxation on loss on ordinary activities

The tax assessed for the year/period is higher than the standard rate of corporation tax in the UK applied to loss before tax

	Year ended 30 June 2009 £	Period ended 30 June 2008 £
Loss on ordinary activities before tax	(109,737)	(278,813)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 28% (2008 - 30%)	(30,726)	(83,644)
Effect of		
Expenses not deductible for tax purposes	495	-
Depreciation for period in excess of capital allowances	10,403	-
Creation of tax losses	19,828	83,644
Current tax charge for the year/period	-	-

### 6 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
<i>Cost</i>				
At 1 July 2008	237,215	533	528	238,276
Additions	139,721	-	-	139,721
At 30 June 2009	376,936	533	528	377,997
<i>Depreciation</i>				
At 1 July 2008	94,217	359	388	94,964
Provided for the year	42,347	66	75	42,488
At 30 June 2009	136,564	425	463	137,452
<i>Net book value</i>				
At 30 June 2009	240,372	108	65	240,545
At 30 June 2008	142,998	174	140	143,312

# Bio Wayste Limited

## Notes forming part of the financial statements for the year ended 30 June 2009 (continued)

### 6 Tangible fixed assets (continued)

The net book value of tangible fixed assets includes an amount of £82,705 (2008 - £110,273) in respect of assets held under finance leases and hire purchase contracts. The related depreciation charge on these assets for the year/period was £27,568 (2008 - £64,604)

### 7 Fixed asset investments

	Group undertakings £
<i>Cost</i>	
At 1 July 2008 and 30 June 2009	200
	<hr/>
<i>Provisions</i>	
Impairment adjustment	200
	<hr/>
At 30 June 2009	200
	<hr/>
<i>Net book value</i>	
At 30 June 2009	-
	<hr/>
At 30 June 2008	200
	<hr/>

The company holds 100% of the issued share capital of Barry Howard Energy Limited and Barry Howard Waste management Limited. Neither company has traded during the current or previous year.

These financial statements present information about the company as an individual undertaking and not about its group, as both subsidiaries are dormant, and amounts that would be included in the consolidated accounts are immaterial.

#### *Subsidiary undertakings, associated undertakings and other investments*

The principal undertakings in which the company's interest at the year end is 20% or more are as follows

	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
<i>Subsidiary undertakings</i>			
Barry Howard Energy Limited	UK	100%	Dormant
Barry Howard Waste Management Ltd	UK	100%	Dormant



# Bio Wayste Limited

## Notes forming part of the financial statements for the year ended 30 June 2009 (*continued*)

### 8 Debtors

	30 June 2009 £	30 June 2008 £
Trade debtors	1,291	-
Other debtors	107,923	-
	<hr/>	<hr/>
	109,214	-
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year

### 9 Creditors amounts falling due within one year

	30 June 2009 £	30 June 2008 £
Bank overdraft (secured) (see note 10)	113,321	-
Trade creditors	43,619	126,163
Amounts owed to group undertakings	1,118,641	793,718
Taxation and social security	-	16,455
Obligations under finance lease and hire purchase contracts	44,157	44,157
Accruals and deferred income	24,834	4,800
	<hr/>	<hr/>
	1,344,572	985,293
	<hr/>	<hr/>

# Bio Wayste Limited

Notes forming part of the financial statements  
for the year ended 30 June 2009 (*continued*)

## 10 Creditors: amounts falling due after more than one year

	30 June 2009 £		30 June 2008 £	
Obligations under finance lease and hire purchase contracts	6,307		50,464	
	<u>          </u>		<u>          </u>	
Maturity of debt				
	Loans and overdrafts 30 June 2009 £	Loans and overdrafts 30 June 2008 £	Finance leases 30 June 2009 £	Finance leases 30 June 2008 £
In one year or less, or on demand	113,321	-	44,157	44,157
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
In more than one year but not more than two years	-	-	6,307	50,464
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The bank overdraft is secured by an all asset debenture in favour of The Royal Bank of Scotland plc  
Amounts due under hire purchase contracts are secured upon the assets to which they relate

## 11 Share capital

	30 June 2009 £	30 June 2008 £
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>

## 12 Reserves

	Profit and loss account £
At 1 July 2008	(891,483)
Loss for the year	(109,737)
	<u>          </u>
At 30 June 2009	(1,001,220)
	<u>          </u>

# Bio Wayste Limited

## Notes forming part of the financial statements for the year ended 30 June 2009 (continued)

### 13 Reconciliation of movements in shareholders' deficit

	30 June 2009 £	30 June 2008 £
Loss for the year/period	(109,737)	(278,813)
Opening shareholders' deficit	(891,383)	(612,570)
Closing shareholders' deficit	(1,001,120)	(891,383)

### 14 Contingent liabilities

The company is subject to a cross-guarantee arrangement in place with the following related parties Barry Howard Group Plc, Barry Howard Homes, Barry Howard Homes (Midlands) Limited, Barry Howard Homes (Eastern) Limited, Barry Howard Homes (HB) Limited, Barry Howard (Investments) Limited, Barry Howard Homes (Developments) Limited and Barry Howard Homes (East Midlands) Limited

The maximum potential liability as 30 June 2009 amounted to £8,791,291 (2008 - £8,958,292)

### 15 Related party disclosures

The company is a wholly owned subsidiary of Barry Howard Group Plc and has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with Barry Howard Group Plc or other wholly owned subsidiaries within the group

#### *Related party transactions and balances*

Related party	Management recharge £	Amounts owed by related parties £
BioWayste Systems Limited	92,380	102,462
Renewable Technology Solutions Limited	-	3,586
Sustainable Process Technologies International Limited	-	423

During the year, Bio Wayste Limited wrote off creditor balances of £23,500 and £35,950 with Renewable Technology Solutions Limited and Sustainable Process Technologies Limited respectively

BioWayste Systems Limited, Renewable Technology Solutions Limited and Sustainable Process Technologies International Limited are related parties by virtue of Barry Howard and Paul Ditchfield being common directors of the companies

# Bio Wayste Limited

## Notes forming part of the financial statements for the year ended 30 June 2009 (*continued*)

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### 16 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary of Barry Howard Group Plc which is the ultimate parent company incorporated in the United Kingdom

The largest and smallest group in which the results of the company are consolidated is that headed by Barry Howard Group Plc, incorporated in the United Kingdom. The consolidated accounts of this company are available to the public and may be obtained from Companies House. No other group accounts include the results of the company.

### 17 Capital commitments

	30 June 2009 £	30 June 2008 £
Contracted but not provided for	-	58,000

### 18 Post balance sheet events

On 16 September 2009, Barry Howard Homes Limited formally waived its legal entitlement to the intercompany loan balance outstanding as at 30 June 2009, amounting to £332,491.

On the same day, Barry Howard Group Plc formally waived its legal entitlement to the intercompany loan balance outstanding at 30 June 2009, amounting to £805,145.

On 17 September 2009, Bio Wayste Limited was acquired by BioWayste Systems Limited for consideration of £908,000.