

Enviroparks Limited

Report and Financial Statements

Year Ended

31 December 2010

Company Number 06219574

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Enviroparks Limited

Report and financial statements for the year ended 31 December 2010

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Directors

D R Williams
G W Davies
S P Emary
M R Hewitt
A M Williams
R C Pope (appointed 13/04/2011)

Secretary and registered office

I Zant-Boer, 1st Floor Tiverton Chambers, Lion Street, Abergavenny, Monmouthshire, NP7 5PN

Company number

06219574

Auditors

BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL

Enviroparks Limited

Report of the directors for the year ended 31 December 2010

The directors present their report together with the audited financial statements for the year ended 31 December 2010

Results

The profit and loss account is set out on page 5 and shows the loss for the year

Principal activities

The group and company's principal activity is the provision of services in resource recovery, waste management and energy generation including consultancy and advice

Directors

The directors of the company during the year were

D R Williams
G W Davies
S P Emary
M R Hewitt
A M Williams

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 elected to prepare the group and company 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 group and company 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 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.

Enviroparks Limited

Report of the directors for the year ended 31 December 2010 (*continued*)

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 have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this directors' report advantage has been taken of the small companies' exemption.

On behalf of the board


M R Hewitt

Director

26 September, 2011

Enviroparks Limited

Independent auditor's report

To the members of Enviroparks Limited

We have audited the financial statements of Enviroparks Limited for the year ended 31 December 2010 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated statement of total recognised gains and losses and the related notes. 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 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2010 and of the group's loss for the year 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Enviroparks Limited

Independent auditor's report (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 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 and the directors' report in accordance with the small companies' regime



Kim Hayward (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Southampton
United Kingdom

27 September, 2011

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

Enviroparks Limited

Consolidated profit and loss account for the year ended 31 December 2010

	Note	2010 £	2009 As restated £
Administrative expenses		989,185	615,274
		<u>(989,185)</u>	<u>(615,274)</u>
Other operating income		-	50
		<u>-</u>	<u>50</u>
Group operating loss	3	(989,185)	(615,224)
Other interest receivable and similar income		-	63
Interest payable and similar charges	5	(167,688)	(171,875)
		<u>-</u>	<u>-</u>
Loss on ordinary activities before and after taxation for the financial year		(1,156,873)	(787,036)
		<u><u>(1,156,873)</u></u>	<u><u>(787,036)</u></u>

The notes on pages 9 to 16 form part of these financial statements

Enviroparks Limited

Consolidated statement of total recognised gains and losses for the year ended 31 December 2010

	Note	2010 £	2009 As restated £
Consolidated statement of total recognised gains and losses			
Loss for the financial year		(1,156,873)	(787,036)
Prior year adjustments See Note 2		(223,875)	
Total gains and losses recognised since last financial statements		(1,380,748)	

The notes on pages 9 to 16 form part of these financial statements

Enviroparks Limited

Consolidated balance sheet at 31 December 2010

<i>Company number 06219574</i>	Note	2010 £	2010 £	2009 As restated £	2009 As restated £
Fixed assets					
Tangible assets	8		276,241		227,405
Current assets					
Debtors	10	61,847		48,558	
Cash at bank and in hand		59,536		23,568	
		<u>121,383</u>		<u>72,126</u>	
Creditors: amounts falling due within one year	11	<u>2,236,223</u>		<u>1,018,757</u>	
Net current liabilities			<u>(2,114,840)</u>		<u>(946,631)</u>
Total assets less current liabilities			<u>(1,838,599)</u>		<u>(719,226)</u>
Creditors: amounts falling due after more than one year	12		-		500,000
			<u>(1,838,599)</u>		<u>(1,219,226)</u>
Capital and reserves					
Called up share capital	13		770		590
Share premium account	14		1,290,443		753,123
Profit and loss account	14		<u>(3,129,812)</u>		<u>(1,972,939)</u>
Shareholders' deficit			<u>(1,838,599)</u>		<u>(1,219,226)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the board of directors and authorised for issue on 26/9/11


S P Emary
Director

The notes on pages 9 to 16 form part of these financial statements

Enviroparks Limited

Company balance sheet at 31 December 2010

<i>Company number 06219574</i>	Note	2010 £	2010 £	2009 As restated £	2009 As restated £
Fixed assets					
Fixed asset investments	9		206		204
Current assets					
Debtors	10	1,584,914		1,197,635	
Cash at bank and in hand		52,381		2,559	
		<u>1,637,295</u>		<u>1,200,194</u>	
Creditors: amounts falling due within one year	11	<u>1,234,080</u>		<u>385,681</u>	
Net current assets			<u>403,215</u>		<u>814,513</u>
Total assets less current liabilities			<u>403,421</u>		<u>814,717</u>
Creditors: amounts falling due after more than one year	12		-		500,000
			<u>403,421</u>		<u>314,717</u>
Capital and reserves					
Called up share capital	13		770		590
Share premium account	14		1,290,443		753,123
Profit and loss account	14		(887,792)		(438,996)
Shareholders' funds			<u>403,421</u>		<u>314,717</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the board of directors and authorised for issue on 26/9/11

S P Emary
Director

The notes on pages 9 to 16 form part of these financial statements

Enviroparks Limited

Notes forming part of the financial statements for the year ended 31 December 2010

1 Accounting policies

The financial statements have been prepared under the historical cost convention

The following principal accounting policies have been applied

Basis of consolidation

The consolidated financial statements incorporate the results of Enviroparks Limited and all of its subsidiary undertakings as at 31 December 2010 using the acquisition or merger method of accounting as required. Where the acquisition method is used, the results of subsidiary undertakings are included from the date of acquisition.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, except for investment properties and freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Plant and machinery - 25% on cost

Financial liability and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

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:

- deferred tax is not recognised on timing differences arising on revalued properties unless the group has entered into a binding sale agreement and is not proposing to take advantage of rollover relief, and
- the recognition of deferred tax assets is limited to the extent that the group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

Enviroparks Limited

Notes forming part of the financial statements for the year ended 31 December 2010 (continued)

2 Prior year adjustment

In accordance with FRS 25, the redeemable preference shares have been reclassified as a liability. This has the impact of reducing net assets by £250,000.

The preference shares were issued in July 2008 and bear a 100% premium on redemption. At the date of issue, redemption was assumed to be within two years. Accruing the premium from July 2008 has increased other creditors in 2009 by £177,000 and increased the loss for the year ended 31 December 2009 by £125,000 and reduced net assets at 31 December 2009 by £177,000.

The other loan of £250,000 advanced in March 2009 bears a 50% premium on redemption. The loan was repayable in two years. Accruing the premium from March 2009 has increased other creditors in 2009 by £46,875, increased the loss for the year ended 31 December 2009 by £46,875 and reduced net assets at 31 December 2009 by £46,875.

3 Operating loss

	2010 £	2009 £
This is arrived at after charging		
Depreciation of tangible fixed assets	1,164	1,159
Auditors' remuneration - fees payable to the group's auditor for the audit of the group's annual accounts	6,000	-
	<u>7,164</u>	<u>1,159</u>

4 Directors' remuneration

Other than the directors, who received no remuneration, no persons were employed during the year.

5 Interest payable and similar charges

	2010 £	2009 As restated £
Other interest	167,688	171,875
	<u>167,688</u>	<u>171,875</u>

6 Taxation on loss on ordinary activities

The group has losses available to carry forward against future profits of £3,096,911 (2009 £1,953,005).

No deferred tax asset has been recognised in respect of these losses as there is uncertainty regarding when suitable future profits will arise against which they can be utilised.

Enviroparks Limited

Notes forming part of the financial statements for the year ended 31 December 2010 (*continued*)

7 Loss for the financial year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The group loss for the year includes a loss after tax of £448,796 (2009 - £369,337 as restated) which is dealt with in the financial statements of the parent company.

8 Tangible fixed assets

Group

	Land and buildings £	Plant and machinery etc £	Total £
<i>Cost or valuation</i>			
At 1 January 2010	225,000	4,708	229,708
Additions	50,000	-	50,000
	<hr/>	<hr/>	<hr/>
At 31 December 2010	275,000	4,708	279,708
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 January 2010	-	2,303	2,303
Provided for the year	-	1,164	1,164
	<hr/>	<hr/>	<hr/>
At 31 December 2010	-	3,467	3,467
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 December 2010	275,000	1,241	276,241
	<hr/>	<hr/>	<hr/>
At 31 December 2009	225,000	2,405	227,405
	<hr/>	<hr/>	<hr/>

Enviroparks Limited

Notes forming part of the financial statements
for the year ended 31 December 2010 (*continued*)

9 Fixed asset investments

Company

	Shares in group undertakings and participating interests £
<i>Cost or valuation</i>	
At 1 January 2010	204
Additions	2
	<hr/>
At 31 December 2010	206
	<hr/>

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>			
Enviroparks (Hirwaun) Limited	Wales	100%	Resource recovery facilities
Enviroparks (Wisbech) Limited	Wales	100%	Resource recovery facilities
Enviroparks (Peterborough) Limited	Wales	100%	Dormant
Enviroparks (Wales) Limited	Wales	100%	Dormant
Biomax Fuels Limited	Wales	100%	Dormant
Enviroparks (Peterborough 2) Limited	Wales	100%	Dormant

Enviroparks Limited

Notes forming part of the financial statements
for the year ended 31 December 2010 (continued)

10 Debtors

	Group 2010 £	Group 2009 £	Company 2010 £	Company 2009 £
Amounts owed by group undertakings	-	-	1,576,827	1,195,264
Other debtors	61,847	48,558	8,087	2,371
	<u>61,847</u>	<u>48,558</u>	<u>1,584,914</u>	<u>1,197,635</u>

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

11 Creditors: amounts falling due within one year

	Group 2010 £	Group 2009 As restated £	Company 2010 £	Company 2009 As restated £
Preference shares	250,000	-	250,000	-
Other loans	381,125	163,125	348,000	100,000
Trade creditors	505,864	557,875	116,378	61,429
Amounts owed to group undertakings	-	-	-	2
Other creditors	1,099,234	297,757	519,702	224,250
	<u>2,236,223</u>	<u>1,018,757</u>	<u>1,234,080</u>	<u>385,681</u>

12 Creditors: amounts falling due after more than one year

	Group 2010 £	Group 2009 As restated £	Company 2010 £	Company 2009 As restated £
Preference shares	-	250,000	-	250,000
Other loans	-	250,000	-	250,000
	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>

In accordance with FRS 25, the 250,000 preference shares of £1 each have been presented as a liability in the group and company balance sheet as they are redeemable and redemption is not at the company's option

Enviroparks Limited

Notes forming part of the financial statements for the year ended 31 December 2010 (*continued*)

13 Share capital

	2010 £	2009 £
<i>Allotted, called up and fully paid</i>		
770 Ordinary shares of £1 each (2009 590 ordinary shares of £1 each)	770	590
250,000 preference shares of £1 each	250,000	250,000

During the year, the company issued 180 ordinary shares with a nominal value of £1 each, for a total consideration of £537,500

14 Reserves

Group

	Share premium account £	Profit and loss account £
At 1 January 2010 as previously stated	753,123	(1,749,064)
Prior year adjustment (see Note 2)	-	(223,875)
At 1 January 2010 as restated	753,123	(1,972,939)
Loss for the year	-	(1,156,873)
Issue of shares	537,320	-
At 31 December 2010	1,290,443	(3,129,812)

Enviroparks Limited

Notes forming part of the financial statements for the year ended 31 December 2010 (continued)

14 Reserves (continued)

Company

	Share premium account £	Profit and loss account £
At 1 January 2010 as previously stated	753,123	(215,121)
Prior year adjustment (see Note 2)	-	(223,875)
At 1 January 2010 as restated	753,123	(438,996)
Loss for the year	-	(448,796)
Issue of shares	537,320	-
At 31 December 2010	1,290,443	(887,792)

15 Related party disclosures

D Williams and A Williams are directors of the company and also directors and shareholders of Enviroactive Limited, which is a shareholder of the company. During the year, Enviroactive Limited provided consultancy services to the group amounting to £120,000 (2009 £108,000).

Included within trade creditors and other creditors are amounts of £214,950 (2009 £214,950) and £60,000 (2009 £Nil) respectively owed to Enviroactive Limited for those services.

S Emary, a director of the company, is also a director and shareholder of Callidus Properties Limited which is a shareholder of the company. Callidus Properties Limited supplied consultancy services amounting to £72,835 to the company in the year (2009 £60,070). Trade creditors at the year end include an amount of £107,090 (2009 £60,298) to Callidus Properties Limited. During the year £25,000 of the liability was settled in consideration for the allotment of 10 ordinary shares in the company.

R Hewitt is a director and shareholder of Enviroparks Limited and also a director and shareholder of B H Capital Limited. Other creditors include an amount of £105,000 (2009 £72,000) payable to B H Capital Limited for professional services.

R Hewitt advanced a loan of £48,000 to the company during the year which is included within other creditors at the year end. The loan bears a premium of 50% upon repayment.

During the year, R Hewitt provided consultancy services to the company amounting to £84,000 (2009 £Nil). This amount is included within other creditors at the year end.

G Davies, a director and shareholder of the company, is also a director and shareholder of BAF Properties Limited. During the year BAF Properties Limited advanced a loan of £50,000 to the Enviroparks Limited which is included within creditors at the year end. The loan bears a premium of 50% upon repayment.

G Davies had advanced a loan of £63,125 to the group at 31 December 2009. During the year, £30,000 of the loan was settled in consideration for the allotment of 12 ordinary shares in the company. The amount included within creditors at the year end was £33,125 (2009 £63,125).

Enviroparks Limited

Notes forming part of the financial statements for the year ended 31 December 2010 *(continued)*

15 Related party disclosures *(continued)*

In 2009, J Harris and G Murray who are shareholders in the company, each loaned £50,000 to the company. Each of these loans were settled during the year in consideration for the allotment of 5 ordinary shares each in the company.

Upon grant of planning consent in December 2010, the following amounts became due and have been included within other creditors at the year end. These amounts are not payable until the preference shares have been redeemed.

- 50% premium on the trade creditor balance owed to Enviroactive Limited amounting to £107,450
- £192,000 for consultancy services provided by Enviroactive Limited to the group in 2009
- 50% premium on the loan advanced by G Davies amounting to £16,563

16 Post balance sheet events

The Company received an investment of £2.225m from Hotbed Limited on 13th April 2011.