

**ENER-G SUSTAINABLE TECHNOLOGIES LIMITED**

**Annual Report and Financial Statements**

**For the year ended 31 March 2013**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS 2013**

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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

A J Evans  
D J Duffill (resigned 30 May 2013)  
P S Burley  
R A Skinner

**SECRETARY**

R Wardner

**REGISTERED OFFICE**

ENER-G House  
Daniel Adamson Road  
Salford  
Manchester  
M50 1DT

**BANKERS**

Barclays Bank plc  
3 Hardman Street  
Manchester  
M3 3AX

**SOLICITORS**

Stevens & Bolton LLP  
Wey House  
Farnham Road  
Guildford  
GU1 4YD

**AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Manchester  
United Kingdom

## DIRECTORS' REPORT

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

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 417(1) of the Companies Act 2006

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the supply of heat pumps

### RESULTS AND DIVIDENDS

The loss after tax for the year amounted to £194,959 (2012 profit of £41,917) as shown on page 6 The directors cannot recommend the payment of a dividend

Net liabilities have increased from £71,060 to £302,911 as a result of the loss in the year

### GOING CONCERN

Subsequent to the financial year ended 31 March 2013 and following a review of the business performance, the directors have taken a decision to cease trading in this company The accounts have therefore been prepared on a basis other than going concern

The directors have considered the carrying value of the assets and liabilities of the company, and are satisfied that no material adjustments are required to the balance sheet as a result of the adoption of a non-going concern basis

### DIRECTORS

The directors of the company during the year under review and to the date of this report were

A J Evans  
D J Duffill (resigned 30 May 2013)  
P S Burley  
R A Skinner

### AUDITOR

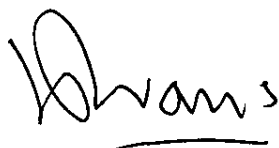
Each of the persons who is a director at the date of the approval of this report confirms that

- as far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the 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 company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting

Approved by the Board of Directors  
And signed on behalf of the Board



A J Evans  
Director  
13 December 2013

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Annual 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 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 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, 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 proper accounting records that 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENER-G SUSTAINABLE TECHNOLOGIES LIMITED**

We have audited the financial statements of ENER-G Sustainable Technologies Limited for the year ended 31 March 2013, which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 12. 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 auditor**

As explained more fully in the Directors' Responsibilities Statement, 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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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 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.

### **Emphasis of matter – Financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

### **Opinion on other matters 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 AUDITOR'S REPORT TO THE MEMBERS OF ENER-G SUSTAINABLE TECHNOLOGIES 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, 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 take advantage of the small companies exemption in preparing the directors' report



Mark Overfield BSc FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Manchester, United Kingdom  
18 December 2013

# ENER-G SUSTAINABLE TECHNOLOGIES LIMITED

## PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2013

	Note	2013 £	2012 £
<b>TURNOVER</b>		344,080	333,672
Cost of sales		<u>(253,116)</u>	<u>(251,071)</u>
<b>GROSS PROFIT</b>		90,964	82,601
Administrative expenses		<u>(274,608)</u>	<u>(26,745)</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	(183,644)	55,856
Tax on profit on ordinary activities	3	(11,315)	(13,939)
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>	7	<u>(194,959)</u>	<u>41,917</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results shown in the profit and loss account for the current year and prior year as set out above. Accordingly, a separate statement of total recognised gains and losses has not been presented.

The notes on pages 8 to 11 form part of these financial statements.



# ENER-G SUSTAINABLE TECHNOLOGIES LIMITED

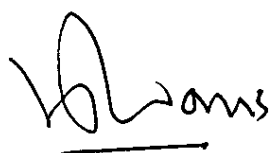
## BALANCE SHEET As at 31 March 2013

	Note	£	2013 £	£	2012 £
<b>CURRENT ASSETS</b>					
Debtors	4	1,200,701		735,876	
<b>CREDITORS amounts falling due within one year</b>	5	<u>(1,466,720)</u>		<u>(806,936)</u>	
<b>NET CURRENT LIABILITIES</b>			(266,019)		(71,060)
<b>NET LIABILITIES</b>			<u>(266,019)</u>		<u>(71,060)</u>
<b>CAPITAL AND RESERVES</b>					
Called-up share capital	6		1		1
Profit and loss account	7		(266,020)		(71,061)
<b>SHAREHOLDER'S DEFICIT</b>	8		<u>(266,019)</u>		<u>(71,060)</u>

The notes on pages 8 to 11 form part of these financial statements

These financial statements of ENER-G Sustainable Technologies Limited, registered number 06786679, were approved by the Board of Directors on 13 December 2013

Signed on behalf of the Board of Directors



A J Evans  
Director

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards under the historical cost convention. The accounting policies have been applied consistently throughout the year and preceding year.

#### **Going concern**

As noted in the directors' report, a decision was taken by the directors to cease trading in the business and as a consequence the directors are of the opinion that the going concern basis is no longer appropriate in preparing these financial statements. This has had no material impact on the carrying value of assets and liabilities in the company.

#### **Turnover**

Turnover shown in the profit and loss account represents amounts charged for goods supplied during the period, exclusive of Value Added Tax. It is recorded when the risks and rewards are transferred to the customer, which is typically on delivery.

#### **Taxation**

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred taxation 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 less tax. 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 substantively enacted at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 March 2013**

**2. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

(Loss)/profit on ordinary activities before taxation is stated after charging

	2013 £	2012 £
Fees payable to the Company's auditor		
- for the audit of the Company's annual accounts	3,000	1,500
- for tax advisory services	-	1,250
	<u>3,000</u>	<u>2,750</u>

Other than the directors the company had no employees in the year (2012: same)

The directors were remunerated by ENER-G plc for their services to several companies within the group, including this company. The total remuneration received by the directors for the year was £553,836 (2012 £547,783) from ENER-G plc, but it is not practicable to allocate this between their services as executives of the various group companies.

**3. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year:**

	2013 £	2012 £
Corporation tax based payable	11,315	14,523
Adjustment in respect of previous periods	-	(584)
	<u>11,315</u>	<u>13,939</u>
Current tax charge for the year (note 3b below)	<u>11,315</u>	<u>13,939</u>

**(b) Factors affecting current tax charge**

The tax charge assessed on the (loss)/profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2012 26%).

	2013 £	2012 £
(Loss)/profit on ordinary activities before taxation	<u>(183,644)</u>	<u>55,856</u>
(Loss)/profit on ordinary activities at the standard rate of corporation tax of 20% (2012 26%)	(36,729)	14,523
<i>The taxation charge has been increased/(reduced) by</i>		
Expenses not deductible	46,371	-
Difference in payment rates for group relief	1,673	-
Adjustment to tax charge in respect of prior periods	-	(584)
	<u>48,044</u>	<u>(584)</u>
Total current tax (note 3a)	<u>11,315</u>	<u>13,939</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 31 March 2013**

**4. DEBTORS**

Amounts falling due within one year:	£	£
Trade debtors	82,061	37,753
Amounts owed by group undertakings	1,118,640	694,419
Prepayments and accrued income	-	3,704
	<u>1,200,701</u>	<u>735,876</u>

**5. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013 £	2012 £
Bank overdraft	1,398,887	755,993
Trade creditors	20,329	25,410
Amounts owed by group undertakings for group relief surrendered	10,039	13,061
Other taxation	17,044	5,459
Accruals and deferred income	19,145	7,013
Corporation tax	1,276	-
	<u>1,466,720</u>	<u>806,936</u>

**6. SHARE CAPITAL**

	2013 £	2012 £
<b>Allotted, called-up and fully paid</b>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

**7. PROFIT AND LOSS ACCOUNT**

	2013 £	2012 £
At beginning of year	(71,061)	(112,978)
(Loss)/profit for the financial year	<u>(194,959)</u>	<u>41,917</u>
At end of year	<u>(266,020)</u>	<u>(71,061)</u>

**8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S DEFICIT**

	2013 £	2012 £
At beginning of year	(71,060)	(112,977)
(Loss)/profit for the financial year	<u>(194,959)</u>	<u>41,917</u>
At end of year	<u>(266,119)</u>	<u>(71,060)</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**Year ended 31 March 2013**

**9. CONTINGENT LIABILITIES**

Under the ENER-G Holdings plc Group banking arrangements, each participating UK group company jointly and severally cross-guarantees the liabilities of all other participating UK group companies. At the balance sheet date the maximum potential cross-guaranteed was £5,280,000 (2012 £3,798,000)

**10. ULTIMATE PARENT COMPANY**

The company's ultimate parent company is ENER-G plc, a company incorporated in Great Britain and registered in England and Wales. The company's immediate parent company is ENER-G Holdings plc, a company incorporated in Great Britain and registered in England and Wales. The ultimate group which is the smallest and largest in which the results are consolidated, is that of ENER-G plc. ENER-G plc is ultimately owned by a family trust of Mr Tim Scott, which is considered to be the ultimate controlling party.

Group accounts for ENER-G plc are available from Companies Registration Office, Crown Way, Cardiff, CF4 3UZ.

**11. RELATED PARTY TRANSACTIONS**

The company has claimed the exemption contained in FRS 8, which is available to wholly-owned subsidiaries, not to disclose related party transactions with other members of the group.

**12. POST BALANCE SHEET EVENT**

As explained in the director's report on page 2, the directors, following a review of the business performance, have decided to cease trading within this company. There are no material adjustments arising from this decision.

