

VIGOR RENEWABLES LIMITED

FINANCIAL STATEMENTS

for the year ended 31 October 2013

Company Number 07037774



VIGOR RENEWABLES LIMITED

Company Information

| | |
|-------------------|--|
| Directors | O G Hughes S Mahon |
| Company Number | 07037774 |
| Registered Office | 37 Southwold Road Wrentham Beccles Suffolk NR34 7JE |
| Bankers | NatWest Bank Mayfair CBC PO Box 2354 65 Piccadilly London W1A 2PP |

VIGOR RENEWABLES LIMITED

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VIGOR RENEWABLES LIMITED

Directors' Report

for the year ended 31 October 2013

The directors present their report and financial statements for the year ended 31 October 2013

Principal Activities

The principal activity of the company was the sourcing of suitable sites and funding for renewable solar and wind generated energy production and securing the ongoing management fees and commissions on these sites

Review of the Business

The directors consider the results for the group for the year under review to be satisfactory

Directors

The following directors have held office during the trading year and to the date of this report

O G Hughes
S Mahon

Directors Responsibilities

The directors are responsible for preparing the directors' report and 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 they have elected to prepare the group and company financial statements in accordance with the Financial Reporting Standard for Smaller Entities and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities)

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 and loss of the group 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

VIGOR RENEWABLES LIMITED

Directors' Report

for the year ended 31 October 2013

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

This report was approved by the Board on 1 May 2014
and signed on its behalf by



Oliver Hughes
Director

VIGOR RENEWABLES LIMITED

Profit and Loss account

Consolidated

for the year ended 31 October 2013

| | Note | 2013 £ | 2012 £ |
|---|------|------------------------|----------------------|
| Turnover | 2 | 104,352 | 248,691 |
| Administrative expenses | | (174,789) | (165,577) |
| Operating Profit/(Loss) | 3 | <u>(70,437)</u> | <u>83,114</u> |
| Interest Received | | 111 | 403 |
| Profit/(Loss) on ordinary activities before taxation | | <u>(70,326)</u> | <u>83,517</u> |
| Tax on loss on ordinary activities | | - | - |
| Profit/(Loss) for the year | 8 | <u><u>(70,326)</u></u> | <u><u>83,517</u></u> |

The results refer to continuing activities. There is no difference between historical cost loss and the loss stated above. There are no other gains and losses other than the loss for the year.

The notes on pages 9 to 12 form part of these financial statements.

VIGOR RENEWABLES LIMITED

Balance Sheet Consolidated

as at 31 October 2013

| | Note | 2013 £ | 2012 £ |
|---|------|------------------|------------------|
| Current assets | | | |
| Debtors | 5 | 11,694 | 21,299 |
| Cash at Bank and in hand | | <u>5,782</u> | <u>70,431</u> |
| | | 17,476 | 91,730 |
| Creditors' amounts falling due within one year | 6 | (605,384) | (609,312) |
| Net current liabilities | | <u>(587,908)</u> | <u>(517,582)</u> |
| Net liabilities | | <u>(587,908)</u> | <u>(517,582)</u> |
| Capital and reserves | | | |
| Called up share capital | 7 | 497 | 497 |
| Preference shares | 7 | 500,000 | 500,000 |
| Profit and loss account | 8 | (1,088,405) | (1,018,079) |
| Shareholders' deficit - equity | | <u>(587,908)</u> | <u>(517,582)</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2013. The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2013 in accordance with Section 476 of the Companies Act 2006.

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).

These financial statements were approved by the board on 1 May 2014



Oliver Hughes
Director

The notes on pages 9 to 12 form part of these financial statements

VIGOR RENEWABLES LIMITED

Balance Sheet Company

as at 31 October 2013

| | Note | 2013 £ | 2012 £ |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Investments in subsidiaries | 4 | 2 | 2 |
| Current assets | | | |
| Debtors | 5 | 732,879 | 755,595 |
| Cash at bank and in hand | | <u>5,782</u> | <u>70,431</u> |
| | | 738,661 | 826,026 |
| Creditors: amounts falling due within one year | 6 | (605,384) | (609,312) |
| Net current liabilities | | <u>133,277</u> | <u>216,714</u> |
| Total assets less current liabilities | | <u>133,279</u> | <u>216,716</u> |
| Net assets | | <u>133,279</u> | <u>216,716</u> |
| Capital and reserves | | | |
| Called up share capital | 7 | 497 | 497 |
| Preference shares | 7 | 500,000 | 500,000 |
| Profit and loss account | 8 | (367,218) | (283,781) |
| Shareholders' funds - equity | | <u>133,279</u> | <u>216,716</u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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)

These financial statements were approved by the board on 1 May 2014



Oliver Hughes
Director

The notes on pages 9 to 12 form part of these financial statements

VIGOR RENEWABLES LIMITED

Notes to the financial statements

for the year ended 31 October 2013

1 Accounting Policies

1.1 Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008). The following principle accounting policies have been applied:

1.2 Turnover

Turnover is recognised upon delivery of services when risks and rewards have been substantially transferred to the customer.

1.3 Cash flow

The group has not prepared a cash flow statement as it qualifies as a small group under the Companies Act 2006 and as such has taken the exemption conferred under FRS 1 'Cash Flow Statements' and the small companies regime.

1.4 Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.5 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 company 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 company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

1.6 Classification of equity and liabilities

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

1.7 Basis of consolidation

The consolidated financial statements incorporate the results of Vigor Renewables Limited and all of its subsidiary undertakings as at 31 October 2013 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

2 Turnover

Turnover represents income from consultancy services provided in respect of sourcing and delivery of suitable power generation sites for third parties, together with ongoing management fees.

VIGOR RENEWABLES LIMITED

Notes to the financial statements

for the year ended 31 October 2013

3 Operating Profit/(Loss)

| | Group 2013 £ | Group 2012 £ |
|--|--------------------|--------------------|
| Operating loss is stated after charging Directors' emoluments | 12,000 | 46,643 |

There were no directors for whom retirement benefits are accruing under money purchase pension schemes

4 Investments in subsidiaries

| | Company 2013 £ | Company 2012 £ |
|----------------------------|----------------------|----------------------|
| Investment in subsidiaries | 2 | 2 |
| | <u>2</u> | <u>2</u> |

There are two subsidiaries incorporated in England & Wales - Vigor Solar Ltd and Vigor Wind Ltd
Both subsidiaries are 100% owned and the activities are in renewable energy generation

5 Debtors

| | Group 2013 £ | Company 2013 £ | Group 2012 £ | Company 2012 £ |
|-------------------------------|--------------------|----------------------|--------------------|----------------------|
| VAT | 908 | 908 | - | - |
| Amounts due from subsidiaries | - | 721,185 | - | 734,296 |
| Other debtors | 10,786 | 10,786 | 21,299 | 21,299 |
| | <u>11,694</u> | <u>732,879</u> | <u>21,299</u> | <u>755,595</u> |

All amounts shown fall due within one year

6 Creditors: amounts falling due within one year

| | Group 2013 £ | Company 2013 £ | Group 2012 £ | Company 2012 £ |
|------------------------------|--------------------|----------------------|--------------------|----------------------|
| Trade creditors | 140,384 | 140,384 | 200,305 | 200,305 |
| Taxation and social security | - | - | - | - |
| VAT | - | - | 9,007 | 9,007 |
| Other creditors | 465,000 | 465,000 | 400,000 | 400,000 |
| | <u>605,384</u> | <u>605,384</u> | <u>609,312</u> | <u>609,312</u> |

VIGOR RENEWABLES LIMITED

Notes to the financial statements

for the year ended 31 October 2013

7 Share Capital

| | Company 2013 £ | Company 2012 £ |
|---|----------------------|----------------------|
| Ordinary shares - allotted, called and fully paid at 31 October | 497 | 497 |
| A - Preference shares at 31 October | 500,000 | 500,000 |

The A preference shares of £1 each were subscribed and allotted on 19 February 2010 for cash consideration. The A preference shares rank preferential to ordinary shares on liquidation of the company. No voting rights are attached to the A preference shares but the right to receive notices and attend meetings are conferred on these shareholders. The A-preference shares are convertible into a fixed number of ordinary shares, subject to anti-dilution clauses, immediately prior to an Initial Public Offering (IPO) and under the Articles of Association were redeemable at the option of the holder in the event that an IPO, conversion termination event or liquidation event did not occur within five years. The A-preference shares accrue dividends at 15% per annum, payable if sufficient distributable reserves exist or on redemption. The right to redeem the A-preference shares original subscription and accrued unpaid dividends has been legally waived and the A-preference shares are classified as equity accordingly.

8 Reserves

| | Group Profit & Loss 2013 £ | Company Profit & Loss 2013 £ | Group Profit & Loss 2012 £ | Company Profit & Loss 2012 £ |
|----------------------------|--|--|--|--|
| Balance at 1 November | (1,018,079) | (283,781) | (1,101,596) | (274,279) |
| Profit/(Loss) for the year | (70,326) | (83,437) | 83,517 | (9,502) |
| Balance at 31 October | <u>(1,088,405)</u> | <u>(367,218)</u> | <u>(1,018,079)</u> | <u>(283,781)</u> |

The profit and loss account for the company is not disclosed as the company has taken the exemption conferred by the Companies Act 2006.

9 Related party transactions

There have been no transactions involving the directors other than their remuneration disclosed in note 3.

The group has taken advantage of the exemption in FRS 8 not to disclose related party transactions with 100% owned members of the group headed by Vigor Renewables Limited.

VIGOR RENEWABLES LIMITED

Notes to the financial statements

for the year ended 31 October 2013

10 Contingent liabilities

In the event that sufficient profits exist, a £500,000 dividend is payable to the A-preference share holders, in preference to the 15% dividends below

The A-preference shares accrue dividends at 15% per annum which are payable subject to the reserves of the company being sufficient to make such a distribution. The company currently has negative reserves and as such the dividends are contingent upon future profits

In the event of an ordinary dividend being paid, the preference shareholders must be paid at preference share dividends equal to nine times the amount of the ordinary dividend. No ordinary dividends have been declared or paid

The loan to the company, amounting to £400,000 carries interest at 8% per annum. The repayment date has been deferred until the future sales of the wind and solar sites