

Company Registration No. 07426533 (England and Wales)

ABBEEY POWER GENERATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016
PAGES FOR FILING WITH REGISTRAR

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ABBAY POWER GENERATION LIMITED

COMPANY INFORMATION

Directors	R J B Duce B D Foord N Van Der Borgh A J C Duce J D Foord
Secretary	P Ellis
Company number	07426533
Registered office	Devonshire House 1 Devonshire Street London W1W 5DR
Auditor	Citroen Wells Chartered Accountants Devonshire House 1 Devonshire Street London W1W 5DR
Business address	Rock House Great Casterton Road Stamford Lincs PE9 2YQ
Bankers	Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB

ABBAY POWER GENERATION LIMITED

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ABBAY POWER GENERATION LIMITED

STATEMENT OF FINANCIAL POSITION

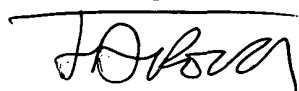
AS AT 30 JUNE 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Property, plant and equipment	3	2,051,508		2,144,107	
Current assets					
Trade and other receivables	4	100,707		55,291	
Cash at bank and in hand		181		474	
		<u>100,888</u>		<u>55,765</u>	
Current liabilities	5	(2,033,256)		(2,152,838)	
Net current liabilities			(1,932,368)		(2,097,073)
Total assets less current liabilities			119,140		47,034
Provisions for liabilities					
Deferred tax liability		68,046		43,312	
		<u>68,046</u>		<u>43,312</u>	
Net assets			<u>51,094</u>		<u>3,722</u>
Equity					
Called up share capital	6	50,000		50,000	
Retained earnings		1,094		(46,278)	
Total equity			<u>51,094</u>		<u>3,722</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 31 March 2017 and are signed on its behalf by:



J D Foord
Director

Company Registration No. 07426533

The notes on pages 2 to 8 form part of these financial statements.

ABBEY POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

Company information

Abbey Power Generation Limited is a private company limited by shares incorporated in England and Wales. The registered office is Devonshire House, 1 Devonshire Street, London, W1W 5DR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

These financial statements for the year ended 30 June 2016 are the first financial statements of Abbey Power Generation Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 July 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

1.2 Going concern

The financial statements have been prepared on a going concern basis notwithstanding the excess of liabilities over assets. Because of the forbearance of the company's creditors, the directors are confident that the company will be able to continue its business activities in the foreseeable future.

1.3 Revenue

Revenue represents amounts receivable for goods and services net of VAT and trade discounts.

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. All revenue arises in the United Kingdom and is attributable to the continuing principal activities of the company.

1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings
Plant and machinery

Over the life of the lease
Straight line between 4 -15 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

ABBEY POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

1.5 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability of another entity. They are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ABBEY POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

ABBAY POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies (Continued)

1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

There were 5 employees during the year (2015: 5).

3 Property, plant and equipment

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost or valuation			
At 1 July 2015	959,716	1,568,788	2,528,504
Additions	-	10,000	10,000
At 30 June 2016	959,716	1,578,788	2,538,504
Depreciation and impairment			
At 1 July 2015	185,633	198,764	384,397
Depreciation charged in the year	46,815	55,784	102,599
At 30 June 2016	232,448	254,548	486,996
Carrying amount			
At 30 June 2016	727,268	1,324,240	2,051,508
At 30 June 2015	774,083	1,370,024	2,144,107

4 Trade and other receivables

	2016	2015
	£	£
Amounts falling due within one year:		
Other receivables	100,707	55,291

5 Current liabilities

	2016	2015
	£	£
Trade payables	6,910	4,639
Amounts due to group undertakings	89,500	89,500
Other payables	1,936,846	2,058,699
	2,033,256	2,152,838

ABBEY POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016

6 Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid 50,000 Ordinary shares of £1 each	50,000	50,000

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006.

The auditor's report was unqualified.

The senior statutory auditor was Stephen Simou FCA.

The auditor was Citroen Wells.

8 Financial commitments, guarantees and contingent liabilities

The company has granted a fixed and floating charge over all of its assets as part security against a loan made by Royal Bank of Scotland to Abbey Power Solutions Limited ('APS'). APS is a subsidiary of Abbey Commercial Investments Limited (see note 10).

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	14,000	14,000
Between two and five years	56,000	56,000
In over five years	149,973	163,973
	219,973	233,973

ABBAY POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

10 Related party transactions

The company's directors are also directors and have an interest in Abbey Commercial Investments Limited ('ACI'). ACI has undertaken to financially support the company to enable it to continue its business activities.

At the year end, the company was indebted to ACI in the amount of £1,078,003 (2015: £1,023,507). This amount is unsecured and repayable on demand. Interest has been charged during the year of £41,206 (2015: net credit interest of £117,026).

The company's directors are also directors and have an interest in Abbey Power Solutions Limited ('APS'), a subsidiary of ACI. At the year end, the company was indebted to APS in the amount of £791,425 (2015: £1,022,559). This amount is unsecured and repayable on demand. Interest has been charged during the year of £35,568 (2015: £nil).

Certain of the company's directors are also directors and have an interest in Abbey Heat and Power Co Ltd ('AHPC'). During the year, AHPC charged the company £127,961 (2015: £nil) for services rendered. At the year end, the company was indebted to AHPC in the amount of £51,119 (2015: nil). This amount is unsecured, interest free and repayable on demand.

At the year end, the company was indebted to Strategic Resources Limited in the amount of £89,500 (2015: £89,500). This amount is unsecured, interest free and repayable on demand.

11 Parent company

The company's parent undertaking is Strategic Resources Limited, a company which is incorporated in England and Wales.

ABBEEY POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 JUNE 2016**

12 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 July 2014 £	30 June 2015 £
Equity as reported under previous UK GAAP		(194,880)	47,034
Adjustments arising from transition to FRS 102:			
Recognition of deferred tax liability	1	15,035	(43,312)
Equity reported under FRS 102		<u>(179,845)</u>	<u>3,722</u>

Reconciliation of profit or loss

	Notes	2015 £
Profit or loss as reported under previous UK GAAP		241,914
Adjustments arising from transition to FRS 102:		
Recognition of deferred tax liability	1	(58,347)
Profit or loss reported under FRS 102		<u>183,567</u>

Notes to reconciliations on adoption of FRS 102

(1) Deferred tax

Deferred tax liabilities are now recognised for all timing differences. Deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.