

Registered number: 08840771

Angus Power Limited

**Directors' report and financial statements
for the year ended 28 February 2017**

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Angus Power Limited

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Angus Power Limited

Company information

Directors	M G Setchell OCS Services Limited
Company secretary	K R Banerjee
Registered number	08840771
Registered office	6th Floor 33 Holborn London EC1N 2HT
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Solicitors	Shakespeare Martineau LLP No. 1 Colmore Square Birmingham B4 6AA

Angus Power Limited

Directors' report for the year ended 28 February 2017

The directors present their report and the audited financial statements of the company for the year ended 28 February 2017.

Principal activities

The company is the parent company of a group of which the principal activities are that of the operation of an anaerobic digestion plant exporting electricity to the grid.

Going concern

The directors have at the date of approving these financial statements, 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 financial statements.

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise indicated, are given below:

M G Setchell appointed 24 March 2017)

OCS Services Limited

G La Loggia (resigned 24 March 2017)

Statement of 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to 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 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.

Angus Power Limited

Directors' report for the year ended 28 February 2017

Statement of disclosure of information to auditors

Each of the persons who are directors at the time of approval of this report has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small company exemption

In preparing this report, the directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a strategic report.

This report was approved by the board on 29 November 2017 and signed on its behalf.



M G Setchell
Director

Angus Power Limited

Independent auditors' report to the members of Angus Power Limited

Report on the financial statements

Our opinion

In our opinion, Angus Power Limited's financial statements (the 'financial statements'):

- give a true and fair view of the state of the company's affairs as at 28 February 2017 and of its profit 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.
-

What we have audited

The financial statements, included within the Directors' report and financial statements (the 'Annual report'), comprise:

- the Balance sheet as at 28 February 2017;
- the Statement of income and retained earnings for the year ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law (United Kingdom Generally Accepted Accounting Practice) applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Angus Power Limited

Independent auditors' report to the members of Angus Power Limited

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies' regime; take advantage of the small companies' exemption in preparing the Directors' report; and take advantage of the small companies' exemption from preparing a Strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 2, 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 & Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

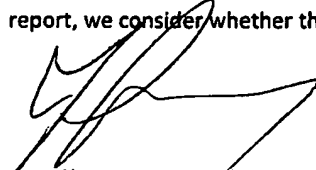
We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

Angus Power Limited

Independent auditors' report to the members of Angus Power Limited

What an audit of financial statements involves (continued)

In addition, we read all the financial and non-financial information in the Directors' report and financial statements ('Annual report') to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Jonathan Greenaway (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne

Date: 29/11/17

Angus Power Limited

Statement of income and retained earnings for the year ended 28 February 2017

	2017 £	2016 £
Administrative expenses	(2,565)	(3,330,228)
Operating loss	(2,565)	(3,330,228)
Interest receivable and similar income	297,317	298,132
Interest payable and similar charges	(334)	(467)
Profit/(loss) on ordinary activities before taxation	294,418	(3,032,563)
Tax on profit/(loss) on ordinary activities	-	-
Profit/(loss) for the financial year	294,418	(3,032,563)
Retained earnings at the beginning of the year	(2,808,287)	224,276
Profit/(loss) for the financial year	294,418	(3,032,563)
Retained earnings at the end of the year	(2,513,869)	(2,808,287)

All amounts above relate to continuing operations.

The company has no items of other comprehensive income for the current or preceding financial year. Therefore no separate statement of other comprehensive income has been presented.

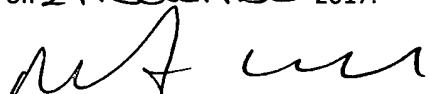
The notes on pages 9 to 13 form part of these financial statements.

**Balance sheet
as at 28 February 2017**

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Investments	4		-		-
Current assets					
Debtors: amounts falling due after more than one year	5	172,172		172,172	
Debtors: amounts falling due within one year	5	821,238		523,408	
Cash at bank and in hand		<u>70</u>		<u>944</u>	
		993,480		696,524	
Creditors: amounts falling due within one year	6	<u>(7,498)</u>		<u>(4,960)</u>	
Net current assets			985,982		691,564
Net assets			<u>985,982</u>		<u>691,564</u>
Capital and Reserves					
Called up share capital	7	34,999		34,999	
Share premium account		3,464,852		3,464,852	
Retained earnings		(2,513,869)		(2,808,287)	
Total shareholders' funds			<u>985,982</u>		<u>691,564</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" as amended by Section 1A "Small Entities".

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 November 2017.



M G Setchell
Director

The notes on pages 9 to 13 form part of these financial statements.

Angus Power Limited

Notes to the financial statements for the year ended 28 February 2017

1. General information

Angus Power Limited is a private company, limited by shares, incorporated in and domiciled in England in the United Kingdom, registered number: 08840771. The registered office is 6th Floor, 33 Holborn, London, EC1N 2HT.

The company is the parent company of a group of which the principal activities are that of the operation of an anaerobic digestion plant exporting electricity to the grid.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. This is the first year in which the financial statements have been prepared under FRS 102 and information on the impact of first time adoption of FRS 102 is given in note 10.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. No critical judgements have been applied to these financial statements.

The following principal accounting policies have been applied:

2.2 Exemptions for qualifying under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company;
- from disclosing the company's key management personnel compensation as required by FRS 102 para 33.7; and
- from disclosing related party transactions that are wholly owned within the same group.

2.3 Consolidation

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group financial statements. These financial statements therefore present information about the company as an individual undertaking and not about its group.

2.4 Going concern

The directors have at the date of approving these financial statements, 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 financial statements.

Angus Power Limited

Notes to the financial statements for the year ended 28 February 2017

2. Accounting policies (continued)

2.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

2.6 Foreign currency

(i) *Functional and presentation currency*

The company's functional and presentation currency is the pound sterling.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and retained earnings within administrative expenses.

2.7 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of income and retained earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) *Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Angus Power Limited

Notes to the financial statements for the year ended 28 February 2017

2. Accounting policies (continued)

2.7 Taxation (continued)

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

2.8 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such on the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the statement of income and retained earnings. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2.9 Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

Angus Power Limited

Notes to the financial statements for the year ended 28 February 2017

3. Employees and directors' remuneration

The company has no employees other than the directors, who did not receive or waive any remuneration (2016: £nil).

4. Investments

Subsidiary undertakings

The company owns 100% of the ordinary share capital of Grange Farm Renewable Energy Limited, a company registered in England and Wales. The registered office of Grange Farm Renewable Energy Limited is 33 Holborn, London, EC1N 2HT.

5. Debtors	2017 £	2016 £
Amounts falling due after one year		
Amounts owed by group undertakings	<u>172,172</u>	<u>172,172</u>
Amounts falling due within one year		
Other debtors	513	-
Prepayments and accrued income	820,725	523,408
	<u>821,238</u>	<u>523,408</u>

Included within amounts owed by group undertakings are unsecured loans with year end balances totalling £172,172 (2016: £172,172). The loans bear interest at 8.5% (2016: 8.5%), and are repayable after more than five year.

Amounts owed by group undertakings are stated after provisions for doubtful debts of £3,325,678 (2016: £3,325,678).

6. Creditors: amounts falling due within one year	2017 £	2016 £
Trade creditors	-	2,460
Amounts owed to group undertakings	4,998	-
Accruals and deferred income	2,500	2,500
	<u>7,498</u>	<u>4,960</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Angus Power Limited

Notes to the financial statements for the year ended 28 February 2017

7. Called up share capital	2017 £	2016 £
Allotted, called up and fully paid		
3,499,850 (2016: 3,499,850) Ordinary shares of £0.01 each	34,999	34,999
1 (2016: 1) Deferred shares of £0.01	-	-
	<u>34,999</u>	<u>34,999</u>

8. Related party transactions

The company has identified the following transactions which are to be disclosed under the terms of FRS 102 "Related party transactions".

Grange Farm Renewable Energy Limited

During the year, a loan totalling £3,497,850 (2016: £3,497,850) was given to Grange Farm Renewable Energy Limited, a subsidiary, of Angus Power Limited. Interest of £297,318 (2016: £298,132) was receivable on the loan with £820,725 (2016: £523,407) included in prepayment and accrued income.

9. Ultimate parent undertaking and controlling party

The directors do not consider the company to have an ultimate controlling party or parent company, by virtue of a split holding in its shares. The results of the company are not consolidated within any other company.

10. First time adoption of FRS 102

This is the first year that the company has presented its results under FRS 102 Section 1A. The last financial statements under the previous accounting framework, UK GAAP, were for the year ended 29 February 2016. The date of transition to FRS 102 was 1 March 2015. The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have no impact on equity or profit or loss.