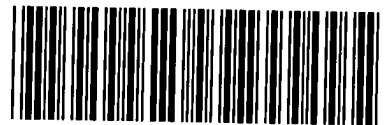


Registered Number: 09546038

Stanlow Bio Power Limited
Annual Report and Financial Statements
31 December 2019

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Company Information

Registered Number: 09546038

Directors

Neil Mather Jackson Bennett
Anthony Harnett

Secretary

None

Registered Office

Davidson House
Forbury Square
Reading
RG1 3EU

Independent Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Directors' Report

The Directors of Stanlow Bio Power Limited (the "Company") present their Directors' report for the year ended 31 December 2019.

Review of the business and principal activities

The principal activity of the company is an investment holding company.

Results and performance

The audited financial statements for the year are set out in the attached financial pages. The company made neither a profit or a loss in the current or preceding years.

Dividends

The Directors do not recommend a dividend for the year (2018: £nil).

Principal risks and uncertainties

The Company's activities expose it to a number of financial risks detailed below.

Credit risk

The Company's principal financial assets are bank balances, trade and other receivables and investments.

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Directors and their interests

The Directors which served during the year and to the date of this report were as follows:

Michael James Atkinson (resigned 28 February 2019)
Ian Charles Brooking (resigned 10 September 2019)
David Pike (resigned 10 September 2019)
Ben Wright (resigned 26 September 2019)
Neil Mather Jackson Bennett
Anthony Harnett (appointed 26 September 2019)

No Director had an interest in the share capital of the company at the balance sheet date or subsequently nor in the shares of any other group company.

Political and charitable donations

No political or charitable donations have been made in the current year (2018: £ nil)

Going Concern

The Directors have considered the impact of Covid-19 in note 2 'Going concern'.

As at 31 December 2019, the Company is in a net current asset position of £36 (2018: £81) and a net asset position of £46 (2018: £46).

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 in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

Future developments and events after the balance sheet date

There are no significant post balance sheet events which have occurred since the end of the financial year.

Directors' Report *(continued)*

Directors' statement as to disclosure of information to auditor

The Directors who were members of the Board at the time of approving the Directors' report are named on page

3. Having made enquiries of fellow Directors and of the Company's auditor, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors is unaware, and;
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors is aware of that information.

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

Independent Auditor

BDO 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.

Small companies' exemptions

The directors have taken advantage of the small companies' exemption under the Companies Act 2006 in preparing the directors' report and have taken advantage of the exemption in the Companies Act 2006 (section 414B) for including a Strategic Review Statement in the financial statements, on the grounds that the company is small.

Approved by the Board and signed on its behalf by:



Anthony Harnett

Director

30 December 2020

Directors' responsibilities statement

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102. 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Independent Auditor's report to the members of Stanlow Bio Power Limited

Opinion

We have audited the financial statements of Stanlow BioPower Limited ("the Company") for the year ended 31 December 2019 which comprise Statement of Financial Position, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its result 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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.

Independent Auditor's report to the member of Stanlow Bio Power Limited (*continued*)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies' regime and to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Marc Reinecke (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

30 December 2020

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

Statement of Financial Position

As at 31 December 2019

	Note	31 December 2019 £	31 December 2018 £
Fixed assets			
Investments	7	10	10
Current assets			
Debtors	8	15	-
Cash and bank balances		21	81
Total current assets		<u>36</u>	<u>81</u>
Creditors: amounts falling due within one year	9	-	(45)
Net current assets		<u>36</u>	<u>36</u>
Net assets		<u>46</u>	<u>46</u>
Capital and reserves			
Share capital	10	100	100
Retained earnings		(54)	(54)
Shareholders' funds		<u>46</u>	<u>46</u>

No statement of comprehensive income is presented with these financial statements because the company has not received income, incurred expenditure or recognised any other items of comprehensive income during the current or preceding financial years. There have been no movements in shareholders' funds during the current or preceding financial year and therefore no statement of changes of equity has been included.

The notes on pages 10 to 14 form an integral part of these financial statements.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements of Stanlow Bio Power Limited (registered number 09546038) were approved by the board of Directors and authorised for issue on 30 December 2020. They were signed on its behalf by:



Anthony Harnett
Director

Notes to the financial statements

1. General information

Stanlow Bio Power Limited (the Company) is a company limited by shares incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 3. The nature of the Company's operations and its principal activities are set out in the Directors' report on pages 4 to 5.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Bioenergy Infrastructure Limited. The group accounts of Bioenergy Infrastructure Limited are available to the public and can be obtained as set out in note 12.

The accounting policies that have been applied consistently throughout the financial year and the proceeding period are set out below.

2. Significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Related party transactions; and
- Key Management Personnel compensation.

Where relevant, equivalent disclosures have been provided in the group accounts of Bioenergy Infrastructure Limited, in which the Company is consolidated. Copies of Bioenergy Infrastructure Limited accounts can be obtained as detailed at note 12.

The financial statements have been prepared on the historical cost basis as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Going concern

The Directors have considered the impact which the current economic downturn, triggered by Covid-19, could have on the ability of the Company to continue as a going concern. In their view, power generation and waste disposal will remain essential to the UK's infrastructure and they do not believe that an economic downturn would have a material impact on the Company's future performance.

A long-term business model has been prepared together with a cash flow forecast reflecting the operational performance of the energy centre at Ince Bio Power Limited which is the subsidiary of the Company. Having considered the profitability and liquidity forecasts in the latest business model the directors believe that these statutory financial statements should be prepared on the basis of a 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.

Investments

Investments are measured at cost less impairment.

Notes to the financial statements (*continued*)

2. Significant accounting policies (*continued*)

Tax

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income 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 balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes to the financial statements (*continued*)

2. Significant accounting policies (*continued*)

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

There are no significant account balances or transactions which involve critical accounting judgements or key sources of estimation.

Notes to the financial statements (*continued*)

4. Staff numbers and costs

The Company has two directors and no employees (2018: four directors and no employees). All staff costs are borne by the subsidiary, Ince Bio Power Limited.

5. Auditors' remuneration

Fees payable to for the audit of the Company's annual accounts are borne by its subsidiary Ince Bio Power Limited.

6. Dividends

No dividends were declared during the year (2018: £nil).

7. Fixed asset investments

	2019 £	2018 £
Subsidiary undertakings	<u>10</u>	<u>10</u>

Investments in subsidiary undertakings

The Company has investment in the following subsidiary undertakings:

Company name	Country of incorporation	Holding
Ince Bio Power Limited	England	100%

8. Debtors

	2019 £	2018 £
Amounts owed from subsidiary	<u>15</u>	<u>-</u>

All debtors are due within one year.

9. Creditors

Amounts falling due within one year

	2019 £	2018 £
Amounts payable to subsidiary	<u>-</u>	<u>45</u>

Amount payable to subsidiary has an interest rate of 0% and is repayable on demand.

Notes to the financial statements *(continued)*

10. Share capital

	2019 £	2018 £
Shares issued and fully paid: 10,000 Ordinary shares of £0.01 each	100	100

11. Related party transactions

There have been no related party transactions in the current or prior year. The amount owed from the company's parent at 31 December 2019 was £15 (2018: balance owed to the Company's parent was £45).

12. Controlling party

In the opinion of the directors, the Company's ultimate controlling party is M&G plc, a Company incorporated in Great Britain. The Company's immediate parent company is Bioenergy Infrastructure Holdings Limited.

Prudential plc is the parent undertaking of the largest group, and Bioenergy Infrastructure Limited the parent undertaking of the smallest group, for which consolidated financial statements are prepared.

Copies of the group financial statements of M&G plc and Bioenergy Infrastructure Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

13. Events after the balance sheet date

No significant events have occurred after the balance sheet date.

The Directors have considered the impact which the current economic downturn, triggered by Covid-19, could have on the ability of the Company to continue as a going concern. In their view, power generation and waste disposal will remain essential to the UK's infrastructure and they do not believe that an economic downturn would have a material impact on the Company's future performance.

The Covid 19 pandemic is a non-adjusting post balance sheet date event.