

Company Registration No. 10001358 (England and Wales)

**STRANRAER SUSTAINABLE HEAT AND POWER LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**  
**PAGES FOR FILING WITH REGISTRAR**

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# STRANRAER SUSTAINABLE HEAT AND POWER LIMITED

## COMPANY INFORMATION

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<b>Director</b>	D H W Poulson
<b>Company number</b>	10001358 (England and Wales)
<b>Registered office</b>	2nd Floor Regis House 45 King William Street London United Kingdom EC4R 9AN
<b>Auditor</b>	Wilkins Kennedy Audit Services 2nd Floor Regis House 45 King William Street London United Kingdom EC4R 9AN
<b>Business address</b>	Build Studios 203 Westminster Bridge Road London SE1 7FR

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# STRANRAER SUSTAINABLE HEAT AND POWER LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	5		2,256,600		2,418,660
<b>Current assets</b>					
Debtors	6	277,365		329,427	
Cash at bank and in hand		250,755		364,887	
		528,120		694,314	
<b>Creditors: amounts falling due within one year</b>	7	(2,575,292)		(3,103,770)	
<b>Net current liabilities</b>			(2,047,172)		(2,409,456)
<b>Total assets less current liabilities</b>			209,428		9,204
<b>Provisions for liabilities</b>	8		(35,603)		(1,565)
<b>Net assets</b>			173,825		7,639
<b>Capital and reserves</b>					
Called up share capital			1		1
Profit and loss reserves			173,824		7,638
<b>Total equity</b>			173,825		7,639

The director of the company has elected not to include a copy of the profit and loss account 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 and signed by the director and authorised for issue on 23 September 2019



D H W Poulson  
Director

Company Registration No. 10001358

# STRANRAER SUSTAINABLE HEAT AND POWER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2019**

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### **1 Accounting policies**

#### **Company information**

Stranraer Sustainable Heat and Power Limited is a private company limited by shares incorporated in England and Wales. The registered office can be found on the company information page.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the the Companies Act 2006.

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 financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis which is dependent on the availability of continued financial support for the company. The company has appropriate funding in place to meet current needs, but depending on the rate of development of projects, further funding will be required in due course. The directors are confident that such funding will be obtained. If the company were unable to receive this continued financial support, adjustments would have to be made to reduce the value of assets to their recoverable amount, reclassify fixed assets as current assets and to provide for any further liabilities that might arise.

#### **1.3 Turnover**

Turnover represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due.

#### **1.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Costs directly associated with the construction of Combined Heat & Power Plants are recognised in the financial statements at the point at which they are considered to be virtually certain to proceed to completion. Expenses incurred prior to the point of virtual certainty are charged against income when incurred. Costs are transferred from assets under construction to plant and machinery and depreciation commences when the asset is available for use.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over their expected useful lives as follows:

Combined Heat & Power Plant	15 years from the date of availability for use
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# STRANRAER SUSTAINABLE HEAT AND POWER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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### 1 Accounting policies

(Continued)

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

#### 1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 profit and loss account, 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.

#### 1.7 Debtors and creditors payable / receivable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

# STRANRAER SUSTAINABLE HEAT AND POWER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount 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 period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

The annual depreciation charge for tangible fixed assets is sensitive to the changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

### 3 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	6,250	7,500
	<u>        </u>	<u>        </u>

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2019	2018
Number	Number
1	1
<u>        </u>	<u>        </u>

# STRANRAER SUSTAINABLE HEAT AND POWER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 5 Tangible fixed assets

	Combined Heat & Power Plant £
<b>Cost</b>	
At 1 April 2018	2,606,912
Additions	12,665
At 31 March 2019	2,619,577
<b>Depreciation and impairment</b>	
At 1 April 2018	188,252
Depreciation charged in the year	174,725
At 31 March 2019	362,977
<b>Carrying amount</b>	
At 31 March 2019	2,256,600
At 31 March 2018	2,418,660

### 6 Debtors

	2019 £	2018 £
<b>Amounts falling due within one year:</b>		
Trade debtors	146,242	108,193
Other debtors	131,123	221,234
	277,365	329,427

### 7 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	110,943	449,813
Amounts owed to group undertakings	2,337,702	2,537,702
Other creditors	126,647	116,255
	2,575,292	3,103,770

### 8 Provisions for liabilities

	2019 £	2018 £
Deferred tax liabilities	35,603	1,565



# **STRANRAER SUSTAINABLE HEAT AND POWER LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2019**

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#### **9 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 John Howard.

The auditor was Wilkins Kennedy Audit Services.

#### **10 Related party transactions**

The company's related parties with whom the company had transactions during the period are as follows:

Domino Energy Limited: Immediate parent company

Basepower Limited: Common directorship of D H W Poulson

At 31 March 2019, the company owed £2,337,702 (2018: £2,537,702) to Domino Energy Limited.

During the year, the company was charged bookkeeping and administration fees of £10,250 (2018: £10,000) and management charges of £102,500 (2018: £100,000) by Basepower Limited. At 31 March 2019, the company owed £10,983 (2018: £1,667) to Basepower Limited in respect of these fees.

#### **11 Ultimate controlling party**

The company is a subsidiary undertaking of Domino Energy Limited, a company registered in England and Wales.

The ultimate parent company is Rockpool Investment Nominee Limited, a company registered in England and Wales. The registered office is 10 Bressenden Place, London, England, SW1E 5DH.