

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
FOR
CHALKDOCK BIOGAS LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2020**

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CHALKDOCK BIOGAS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2020**

DIRECTORS:

Mr D M Reid
Mr N A Forster

SECRETARY:

Ms S Cruickshank

REGISTERED OFFICE:

15 Golden Square
London
England
W1F 9JG

REGISTERED NUMBER:

10103843 (England and Wales)

ACCOUNTANTS:

FLB Accountants LLP
Chartered Accountants & Registered Auditors
250 Wharfedale Road
Winnersh Triangle
Berkshire
RG41 5TP

BALANCE SHEET
31 MARCH 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	4	1,181,167	939,261
Investments	5	5,000	5,000
		<u>1,186,167</u>	<u>944,261</u>
CURRENT ASSETS			
Debtors	6	372	5,892
CREDITORS			
Amounts falling due within one year	7	(1,190,555)	(953,894)
NET CURRENT LIABILITIES		<u>(1,190,183)</u>	<u>(948,002)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(4,016)</u>	<u>(3,741)</u>
CAPITAL AND RESERVES			
Called up share capital	8	1	1
Retained earnings	9	(4,017)	(3,742)
SHAREHOLDERS' FUNDS		<u>(4,016)</u>	<u>(3,741)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 24 March 2021 and were signed on its behalf by:

Mr D M Reid - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. STATUTORY INFORMATION

Chalkdock Biogas Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The Company's principal activity is the generation of gas and electricity from renewable energy sources which is achieved through the construction and operation of an anaerobic digestion plant.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Going concern

The company incurred a loss for the year of £275 (2019: profit of £18,767) and has net liabilities of £4,016 (2019: £3,741).

The Company has a substantial loan from IQB Development Midco, its parent entity, in order to invest in renewable energy assets. The Company also has balances owing to IQ Biogas Limited. The Company has received written confirmation from both lenders that they will not demand repayment of amounts owed, except where the entity has sufficient excess working capital to make such a repayment.

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Tangible fixed assets comprise anaerobic digestion assets under construction. Depreciation commences on the date that the asset is brought into use.

Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Anaerobic digestion asset - 20 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

Impairment of tangible fixed 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.

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.

Investments

Investments in unlisted company shares, which have been classified as fixed asset investments as the Company intends to hold them on a continuing basis are initially recognised at transaction price and subsequently remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

Debtors

Short-term debtors are measured at transaction price, less any impairment.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at cost. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at cost.

Borrowing costs

Borrowing costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020
2. ACCOUNTING POLICIES - continued
Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2019 - NIL).

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 April 2019	939,261
Additions	241,906
At 31 March 2020	<u>1,181,167</u>
NET BOOK VALUE	
At 31 March 2020	<u>1,181,167</u>
At 31 March 2019	<u>939,261</u>

Borrowing costs amounting to £235,914 (2019 - £143,734) have been included in the cost of tangible fixed assets and is comprised of loan interest only.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

5. FIXED ASSET INVESTMENTS

COSTAt 1 April 2019
and 31 March 2020Shares in
group
undertakin
£5,000**NET BOOK VALUE**

At 31 March 2020

5,000

At 31 March 2019

5,000

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other debtors	<u>372</u>	<u>5,892</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	302	855
Amounts owed to group undertakings	1,040,220	953,039
VAT payable	307	-
Other creditors	149,726	-
	<u>1,190,555</u>	<u>953,894</u>

The Company's immediate parent, IQB Development MidCo Limited, provided a loan to the Company on 16 December 2016. Interest is charged at 8.7% + UK base rate per annum. The loan is unsecured and repayable on demand.

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
100	Ordinary	£0.01	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

9. RESERVES

	Retained earnings £
At 1 April 2019	(3,742)
Deficit for the year	(275)
At 31 March 2020	<u>(4,017)</u>

Profit and loss account

The profit and loss account represents the cumulative profits or losses, net of dividends paid and other adjustments.

10. CONTROLLING PARTY

As at year end, IQB Development MidCo Limited, a company registered in England and Wales, is the immediate controlling parent company. The ultimate parent company is Ingenious Qila Biogas LLP, which is registered in England and Wales.

IQB Development Midco Limited's registered office is 15 Golden Square, London, England, W1F 9JG.

Ingenious Qila Biogas LLP's registered office is 15 Golden Square, London, England, W1F 9JG.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.