

Company registration number 10113163 (England and Wales)

IQB CONSTRUCTION LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
PAGES FOR FILING WITH REGISTRAR

IQB CONSTRUCTION LIMITED

COMPANY INFORMATION

Directors	N A Forster D M Reid
Secretary	S Cruickshank
Company number	10113163
Registered office	15 Golden Square London United Kingdom W1F 9JG
Accountants	FLB Accountants LLP 250 Wharfedale Road Winnersh Triangle Wokingham Berkshire RG41 5TP

IQB CONSTRUCTION LIMITED

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IQB CONSTRUCTION LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	4	1		1	
Cash at bank and in hand		1,625		1,625	
		<u>1,626</u>		<u>1,626</u>	
Creditors: amounts falling due within one year	5	(4,001,621)		(3,707,170)	
Net current liabilities			(3,999,995)		(3,705,544)
Capital and reserves					
Called up share capital	6		1		1
Profit and loss reserves	7		(3,999,996)		(3,705,545)
Total equity			(3,999,995)		(3,705,544)

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

For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 16 December 2022 and are signed on its behalf by:

N A Forster
Director

Company Registration No. 10113163

IQB CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

IQB Construction Limited is a private company limited by shares incorporated in England and Wales. The registered office is 15 Golden Square, London, United Kingdom, W1F 9JG.

The principal activity of the Company is a holding company for investments that construct anaerobic digestion plants for the generation of gas and electricity from renewable energy sources in the UK.

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 financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Company has a loan from Ingenious Renewable Energy Lending Services Limited (IRELSL) which has security in the form of debentures and guarantees over the assets held by Saltaugh Grange Renewable Energy Limited, East Helscott Renewable Energy Limited and Penans Renewable Energy Limited, therefore no letter of support was deemed necessary.

The Company also has a balance owing to IQ Biogas Limited. The Company is dependent on financial support from its parent entity, which is expected but not guaranteed.

As a result of the above and having considered the Company's cash requirements for the year from the date of approval of these accounts, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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.

IQB CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors 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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.6 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.

1.7 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

IQB CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.8 Loans

Non-derivative financial liabilities with fixed or determinable repayments that are not quoted in an active market are classified as loans. Loans are initially recognised at fair value of the consideration received plus directly related transaction costs. They are subsequently measured at amortised cost using the effective interest method. Arrangement fees and interest payable on financial liabilities that are classified as loans, are charged to the profit and loss account.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating the interest payable over the expected life of the liability. The effective interest rate is the rate that exactly discounts estimated future cashflows to the instrument's initial carrying amount. Calculation of the effective interest rate takes into account fees payable, that are an integral part of the instrument yield and transaction costs. All contractual terms of a financial instrument are considered when estimating future cash flows.

A financial liability is removed from the balance sheet when the obligation is discharged, or cancelled, or expires.

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 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 period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3 Employees

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

	2022 Number	2021 Number
Total	-	-
	==	==

4 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	1	1
	==	==

IQB CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	168,600	168,600
Other creditors	3,833,021	3,538,570
	<u>4,001,621</u>	<u>3,707,170</u>

The Company has a loan from Ingenious Renewable Energy Lending Services Limited (IRELSL) which has security in the form of debentures and guarantees over the assets held by Saltaugh Grange Renewable Energy Limited, East Helscott Renewable Energy Limited and Penans Renewable Energy Limited. Interest is charged at 8.25% per annum and capitalised annually.

6 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

7 Profit and loss reserves

	2022 £	2021 £
At the beginning of the year	(3,705,545)	(3,419,173)
Loss for the year	(294,451)	(286,372)
At the end of the year	<u>(3,999,996)</u>	<u>(3,705,545)</u>

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

8 Ultimate controlling party

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

IQ Biogas 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.