

Registered number: SC137656

**FIFE ENERGY LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**



**FIFE ENERGY LIMITED**  
**REGISTERED NUMBER: SC137656**

**ABBREVIATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible assets	2	1,094,444	788,481
<b>CURRENT ASSETS</b>			
Debtors		20,416	19,441
Cash at bank and in hand		118,685	8,580
		<u>139,101</u>	<u>28,021</u>
<b>CREDITORS:</b> amounts falling due within one year		<u>(4,113,902)</u>	<u>(3,379,611)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(3,974,801)</u>	<u>(3,351,590)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(2,880,357)</u>	<u>(2,563,109)</u>
<b>CREDITORS:</b> amounts falling due after more than one year		<u>(400,000)</u>	<u>-</u>
<b>NET LIABILITIES</b>		<u><u>(3,280,357)</u></u>	<u><u>(2,563,109)</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	3	56,588	56,588
Share premium account		165,488	165,488
Profit and loss account		<u>(3,502,433)</u>	<u>(2,785,185)</u>
<b>SHAREHOLDERS' DEFICIT</b>		<u><u>(3,280,357)</u></u>	<u><u>(2,563,109)</u></u>

**FIFE ENERGY LIMITED**

**ABBREVIATED BALANCE SHEET (continued)  
AS AT 31 DECEMBER 2015**

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2015 and of its loss for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on *29th September 2016*.



**H H Graves**  
Director

The notes on pages 3 to 5 form part of these financial statements.

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**1. ACCOUNTING POLICIES**

**Going concern**

At the year end, the company had a deficit on its profit and loss account reserve of £3,502,433 and a loss of £717,248.

The Director has confirmed that sufficient funds will be provided to enable the company to discharge its short term liabilities and enable the company to continue over the next 12 months.

It is planned to recommission existing gas production facilities and add new production capacity at Westfield. Advanced Conversion Technology will be utilised to convert renewables and other solid hydrocarbons into clean pipeline quality gas and low cost hydrogen. The Fife Environmental Energy Park at Westfield will showcase commercial operations with leading technology for the environment. Committed to top environmental, economic, and social performance, the Fife Environmental Energy Park will feature low cost hydrogen, fuel cells, ultra clean btu converters, advanced recycling technology, renewables gas, ultra clean SNG and transportation fuel, CCS, EOR and high efficiency combined cycle systems.

As the world is moving into an era where cleaner, environmentally friendly fuel is much sought after, the director believes that funding for the facilities at Westfield will be forthcoming, enabling the plant to be fully commissioned and to trade profitably in future years. Westfield historically supplied 20% of Scotland's gas requirements and may well do so again.

The company will clear the Westfield site security agreement with a \$3,000,000 payment which is the equivalent of £2,023,779 (@ \$1.48236 exchange rate). This amount may vary depending on the exchange rate. The site security payment will likely occur in conjunction with current expansion finance work and therefore the amount included as other loans has been adjusted accordingly.

The financial statements for this company have been prepared on the going concern basis on the assumption that:

The Director will provide working capital to meet the liabilities and ongoing expenses of the company.

Fife Energy Ltd will construct, own, operate and host advanced environmental technology systems and facilities for Gas and Power production at Westfield.

In the absence of ongoing support by the director and obtaining additional funding, the company may be unable to continue trading and adjustments to the value of assets to their recoverable amount and provision of further liabilities would have to be made. The financial statements do not include any adjustments that would result from the company's inability to meet its liabilities.

**1.1 Basis of preparation of financial statements**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.2 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	25% straight line
Fixtures and fittings	-	25% straight line
Equipment	-	25% straight line

No depreciation is provided on assets under development. These assets comprise of a high element of land which is not subject to depreciation. Depreciation is provided on property when, in the opinion of the director, the estimated residual value becomes less than the carrying value of the asset. The director considers this accounting policy is necessary to show a true and fair view.

**1.3 Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**1.4 Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# FIFE ENERGY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 2. TANGIBLE FIXED ASSETS

	£
<b>Cost</b>	
At 1 January 2015	799,596
Additions	306,260
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At 31 December 2015	1,105,856
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<b>Depreciation</b>	
At 1 January 2015	11,115
Charge for the year	297
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At 31 December 2015	11,412
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<b>Net book value</b>	
At 31 December 2015	1,094,444
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At 31 December 2014	788,481
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Assets under development comprise of land and property at Westfield, Fife, Scotland, which is held under a lease which extends to the year 2117. The cost of the land has not been separately identified from the cost of the buildings, which have not been depreciated, in accordance with the company's accounting policy.

### 3. SHARE CAPITAL

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
53,192 Ordinary shares of £1 each	53,192	53,192
33,964,997 Special shares of £0.0001 each	3,396	3,396
	<hr/>	<hr/>
	56,588	56,588
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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**3. SHARE CAPITAL (continued)**

**Rights**

The holders of the special shares are not entitled to participate in the distribution of any profits other than the profits arising from the options with Fife Electric Limited and Global Environmental Limited.

On a return of assets on liquidation or otherwise, the surplus assets of the company remaining after payment of its liabilities shall be distributed as follows:

- in paying or assigning the relevant sum to the holders of the special shares
- and thereafter, any such surplus assets shall be distributed among the holders of the ordinary shares.

The relevant sum shall mean:

- if at the date on which the said return on assets is made by the company (or, if the said return is made in more than one payment, the last date) (the "return date") the holders of the special shares shall have received both the Fife Electric payment and the Global Environmental payment, the sum of £1,000;
- if at the return date the Fife Electric payment but not the Global Environmental payment shall have been received by the holders of the special shares, a distribution in specie of a right to participate in 28% of the Global Environmental payment;
- if at the return date the Global Environmental payment but not the Fife Electric payment shall have been received by the holders of the special shares, a distribution in specie of a right to participate in 28% of the Fife Electric payment;
- if at the return date neither the Fife Electric payment nor the Global Environmental payment shall have been received by the holders of the special shares, a distribution in specie of a right to participate in 28% of both such payments.

On receipt by the company of the payment from Fife Electric under the option, 28% of this receipt, after deduction of reasonable expenses and taxation, shall, without the need for any declaration by the directors or any resolution of the company, be distributed by way of dividend among the holders of the special shares.

On receipt by the company of the payment from Global Environmental under the option, 28% of this receipt, after deduction of reasonable expenses and taxation, shall, without the need for any declaration by the directors or any resolution of the company, be distributed by way of dividend among the holders of the special shares.

In the event that, at the date the Fife Electric payment and/or the Global Environmental payment is to be distributed, the company is prohibited from making such a distribution, the following provisions shall apply:

- a) on the date the company shall pay to the holders of the special shares on account of the relevant payment the maximum sum (if any) which can be paid by the company.
- b) the company shall pay to the holders of the special shares on account of the balance of the relevant payment for the time being remaining outstanding, and until the relevant payment shall have been paid in full, the maximum sum (if any) which can properly be paid by the company as soon as such sum can lawfully be paid by the company.

Following receipt of either the Fife Electric payment and/or the Global Environmental payment, the company shall pay no dividends to its ordinary shareholders, until such time as the dividends to the special shares have been paid in full.

**FIFE ENERGY LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**3. SHARE CAPITAL (continued)**

**Voting**

Holders of special shares are entitled to receive notice of and to attend and address all general meetings and to receive copies of all circulars sent to holders of shares or debentures in the company and of all resolutions of the company in general meeting but shall not be entitled to vote at any general meeting.