

**ENERGEN BIOGAS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2019**

**ENERGEN BIOGAS LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	Robert James Etherson Erez Gissin Paul Ellis Gill (appointed 9 June 2020) Ross Cooper (resigned 9 June 2020) Steven Blase (resigned 1 October 2019)
<b>Registered number</b>	SC338426
<b>Registered office</b>	Dunswood Road Cumbernauld Glasgow Scotland G67 3EN
<b>Independent auditors</b>	EQ Accountants LLP Chartered Accountants & Statutory Auditors 14 City Quay Dundee DD1 3JA

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019

		2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	4	8,292,086	9,611,607
		<u>8,292,086</u>	<u>9,611,607</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	3,082,458	2,869,165
Cash at bank and in hand		2,775,883	3,760,512
		<u>5,858,341</u>	<u>6,629,677</u>
Creditors: amounts falling due within one year	6	(1,881,689)	(2,505,936)
<b>Net current assets</b>		<u>3,976,652</u>	<u>4,123,741</u>
<b>Total assets less current liabilities</b>		<u>12,268,738</u>	<u>13,735,348</u>
Creditors: amounts falling due after more than one year	7	(7,741,264)	(7,990,131)
<b>Provisions for liabilities</b>			
Deferred tax		(432,618)	(534,960)
		<u>(432,618)</u>	<u>(534,960)</u>
<b>Net assets</b>		<u><u>4,094,856</u></u>	<u><u>5,210,257</u></u>
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Profit and loss account		4,094,756	5,210,157
		<u><u>4,094,856</u></u>	<u><u>5,210,257</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 August 2020.

**Robert James Etherson**  
Director

The notes on pages 2 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2019**

**1. General information**

Energen Biogas Limited is a private company, limited by shares, registered in Scotland with the number SC338426. The registered office is Dunns Wood Road, Wardpark South Industrial Estate, Cumbernauld, G67 3EN.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£).

The following principal accounting policies have been applied:

**2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.3 Finance costs**

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2019**

**2. Accounting policies (continued)**

**2.4 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 reporting 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 Statement of financial position 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 balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2.5 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**2.6 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. 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.

Depreciation is provided on the following basis:

Land	-	not depreciated
Plant and machinery	-	3 to 20 years
Site development	-	25 years
Website costs	-	3 years
Work in Progress	-	not depreciated

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 Statement of income and retained earnings.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2019**

**2. Accounting policies (continued)**

**2.7 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.8 Financial instruments**

The Company only enters into basic financial instrument 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 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 amortised cost using the effective interest method. 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. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

**2.9 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Employees**

The average monthly number of employees, including directors, during the period was 18 (2018 - 18).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2019

4. Tangible fixed assets

	Land £	Plant and machinery £	Site development £	Website costs £	Work in progress £	Total £
<b>Cost or valuation</b>						
At 1 January 2019	397,653	14,815,448	2,590,249	3,222	12,417	17,818,989
Additions	-	261,539	-	-	19,120	280,659
At 31 December 2019	397,653	15,076,987	2,590,249	3,222	31,537	18,099,648
<b>Depreciation</b>						
At 1 January 2019	-	7,366,646	837,514	3,222	-	8,207,382
Charge for the period on owned assets	-	1,496,570	103,610	-	-	1,600,180
At 31 December 2019	-	8,863,216	941,124	3,222	-	9,807,562
<b>Net book value</b>						
At 31 December 2019	397,653	6,213,771	1,649,125	-	31,537	8,292,086
<b>At 31 December 2018</b>	397,653	7,448,802	1,752,735	-	12,417	9,611,607

5. Debtors

	2019 £	2018 £
Trade debtors	1,241,107	696,468
Prepayments and accrued income	1,841,351	2,172,697
	<u>3,082,458</u>	<u>2,869,165</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2019**

**6. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	68,320	206,925
Corporation tax	437,802	144,353
Other taxation and social security	204,678	299,088
HP liabilities and finance leases	28,127	49,612
Other creditors	109,367	1,067,568
Accruals and deferred income	1,033,395	738,390
	<u>1,881,689</u>	<u>2,505,936</u>

**Secured liabilities**

Liabilities under finance leases and hire purchase contracts are secured over the assets to which they pertain.

**7. Creditors: Amounts falling due after more than one year**

	2019 £	2018 £
HP liabilities and finance leases	49,552	76,308
Amounts owed to group undertakings	7,469,601	7,469,601
Accruals and deferred income	222,111	444,222
	<u>7,741,264</u>	<u>7,990,131</u>

**Secured liabilities**

Liabilities under finance leases and hire purchase contracts are secured over the assets to which they pertain.

**8. Share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
50,001 (2018 - 50,001) A ordinary shares of £0.001 each	50.001	50.001
49,999 (2018 - 49,999) B ordinary shares of £0.001 each	49.999	49.999
	<u>100.000</u>	<u>100.000</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2019**

**9. Ultimate parent undertaking**

The ultimate parent undertaking is Energen Biogas Holdco Ltd with its registered office at North West House, 119 Marylebone Road, London, NW1 5PU

**10. Auditors' information**

The auditors' report on the financial statements for the period ended 31 December 2019 was unqualified.

The audit report was signed on 18 August 2020 by Douglas Rae (Senior statutory auditor) on behalf of EQ Accountants LLP.

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.