

The Anaerobic Digestion and Bioresources Association Limited

Annual report and unaudited financial statements
Company registration number: 07015240 (England and Wales)
For the year ended 30 September 2020



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Company information

Directors

C Morton
R Shand
D Newman
T Minter
R Wallace
R Mehta

Company number

07015240

Registered Office

Sustainable Workspaces
3rd Floor, Riverside House
County Hall
Westminster Bridge Road
London
SE1 7PB

Director's report

The Directors present their annual report and financial statements for the year ended 30 September 2020.

Principal activity and review of the business

The principal activity of the company continued to be that of a trade association to promote and support Anaerobic Digestion and Biogas Industries in the UK.

Registered office

Following year end the company moved registered office from Sustainable Bankside II, 25 Lavington Street, London, SE1 0NZ to Sustainable Workspaces, Third floor, Riverside House, County Hall, Westminster Bridge Road, London, SE1 7PB.

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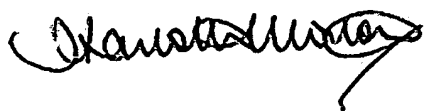
The Directors

The directors who held office during the year and up to the date of signature were as follows:

C Morton
G Ashton (resigned 7 December 2019)
R Shand
D Newman (resigned 31 December 2020)
T Minter (appointed 1 October 2020)
R Wallace (appointed 1 October 2020)
R Mehta (appointed 1 October 2020)

This report has been prepared in accordance with the provision of the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



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C Morton

Director
29 June 2021

Profit and Loss Account
for the year ended 30 September 2020

	Note	2020 £	2019 £
Turnover		546,648	1,295,200
Cost of sales		(67,231)	(532,671)
Gross profit		<u>479,417</u>	<u>762,529</u>
Administration expenses		(819,419)	(980,086)
Operating loss		<u>(340,002)</u>	<u>(217,557)</u>
Interest receivable and grant income		462	50
Interest expense		(459)	-
Loss for the year before taxation		<u>(339,999)</u>	<u>(217,507)</u>
Taxation		-	-
Loss for the financial year	2	<u>(339,999)</u>	<u>(217,507)</u>

Balance Sheet

As at 30 September 2020

	Note	2020	2019
		£	£
Tangible assets			
Investments	3	3,000	3,000
Current assets			
Debtors	4	553,159	688,867
Cash at bank and in hand		83,099	44,895
		<u>636,258</u>	<u>733,762</u>
Creditors: amounts falling due within one year	5	(1,111,753)	(915,925)
Net current assets		(475,495)	(182,163)
Total assets less current liabilities		<u>(475,495)</u>	<u>(182,163)</u>
Creditors: amounts falling due after year		(46,667)	-
Net liabilities		<u>(519,162)</u>	<u>(179,163)</u>
Capital and reserves		<u>(519,162)</u>	<u>(179,163)</u>

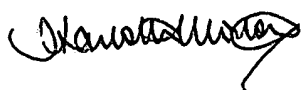
For the financial year ended 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- 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;
- the directors acknowledge their responsibilities for complying with their requirements of the act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared 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 29 June 2021 and are signed on its behalf by:



C Morton

Director

Company Registration number 07015240

Notes to the Financial Statements

1 Accounting policies

Company information

The Anaerobic Digestion and Bioresources Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Sustainable Bankside II, 25 Lavington Street, London, SE1 0NZ.

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 Section 1A") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

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 pound.

These financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

1.2 Going concern

The going concern basis is dependent on maintaining enough capital to fund the balance sheet and meet our capital requirements. The Directors have considered a number of factors including the current and forecast performance of the Company and the impact the COVID-19 pandemic is having on the business. Based on this we have made an assessment of going concern, and that the Group can operate for at least 12 months from the date these financial statements are approved.

As part of the going concern assessment the Board considered:

- the significant impact of the COVID-19 pandemic on the company's revenues, particularly the inability to hold the annual Trade Show at the NEC and other physical events due to COVID-19 lockdown.
- the £315,000 debt owed to We Are Orchard for management services at year end, a related company through directors in common, which We Are Orchard will not demand until ADBA has sufficient funds to pay.
- government financial support taken during the year by way of a Bounce Back loan
- the financial forecast for the year-ended 30 September 2021 financial year which is expected to deliver a profit of £47,000.
- the future series of planned events and activities which have been developed in the context of the current economic environment and which drive a forecast profit for the year-ended 30 September 2022.
- the continued deliberations of the directors and the management team on key priorities and focus

After review, the Directors remain confident in the company's ability to execute its business plan and expect the company to have sufficient financial resources to meet our cash flow requirements for at least 12 months. As a result, we conclude it remains appropriate to continue preparing our financial statements on a going concern basis.

Notes to the Financial Statements (continued)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Fixed Assets

Tangible fixed assets are originally measured at cost less depreciation.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives over the following bases:

Fixtures, fittings and equipment	3 years straight line
Computer equipment	2 years straight line

1.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, bank overdrafts and other short-term liquid investments with original maturities of three months or less.

1.6 Financial instruments

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

Basic financial instruments are measured at amortised cost. The company has no other financial instruments or basic financial instruments measured at fair value.

1.7 Equity instruments

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

1.8 Taxation

The tax expense represents the sum of tax currently payable and deferred tax.

1.9 Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Payments to employees' defined contribution schemes are charged as an expense when they fall due.

Notes to the Financial Statements (continued)

1.10 Leases

Rentals paid under operating leases are charged to the Statement of Profit and Loss on a straight-line basis under the term of the relevant lease.

1.11 Foreign Exchange

Transactions in currencies other than pounds are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting 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 are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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 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 period.

Notes to the Financial Statements (continued)

3 Fixed Asset Investments

	2020	2019
Investments	<u>3,000</u>	<u>3,000</u>

Movement in fixed asset investments

	Unlisted investments £
Cost	
At 1 October 2019 & 30 September 2020	<u>3,000</u>
Carrying Amount	
As at 30 September 2020	<u>3,000</u>
As at 30 September 2019	<u>3,000</u>

4 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	444,615	447,156
Related party debtors	9,247	167,033
Other debtors	99,287	74,678
	<u>553,159</u>	<u>688,867</u>

Notes to the Financial Statements (continued)

5 Creditors: amounts falling due within one year

	2020 £	2019 £
Bounce Back loan	3,333	-
Trade creditors	70,439	123,508
Related party creditors	244,151	149,661
Corporation Tax	-	-
Other taxation and social security	57,331	66,482
Other creditors and deferred income	736,499	576,274
	1,111,753	915,925

6 Creditors: amounts falling after one year

	2020 £	2019 £
Bounce Back loan	46,667	-
	46,667	-

The company took out a £50,000 Bounce Back loan with NatWest on 18 May 2020. The government has guaranteed 100% of the loan and no interest or fees are payable for the first 12 months. After 12 months interest is capped at 2.5% a year. At the balance sheet date, the first repayment was due on 18 June 2021 with the final repayment due on 18 May 2026. Post year-end under the Pay As You Grow scheme, the company has taken a 6-month capital and interest holiday and extended the term of the loan by 6 months.

7 Financial commitments, guarantees and contingent liabilities

During the year, the company held one share with a nominal value of £10,000 in Green Gas Trading Limited. So far £3,000 has been paid for this share with £7,000 remaining unpaid. The company will have to pay any future calls as they are made for all or part of the balance, otherwise the share will be forfeited.

Notes to the Financial Statements (continued)

8 Related party transactions

During the year the company invoiced Green Gas Trading Limited, a company with common directors, a total of £525 for membership fees (2019: £5,070 for membership, tradeshow stand and recharged expenses). At the year-end Green Gas Trading Limited owed the company £nil (2019: £nil).

During the year, the company was charged a total of £742,500 (2019: £910,120) by We Are Orchard Limited, a company with common directors, for administration services under the terms of a 'Service Level Agreement' ('SLA'). In addition, the company loaned We Are Orchard £nil (2019: £6,012) and invoiced a net £18,736 (2019: £55,736) to We Are Orchard for recharged expenses. At year end the company was owed a net amount of £6,526 (2019: £14,156) from We Are Orchard Limited for recharged expenses and Barclaycard receipts collected by We Are Orchard on the company's behalf.

During the year, the company invoiced World Biogas Association, a company with common directors, a total of £18,173 (2019: £3,358) for recharged expenses. At the year-end World Biogas Association owed the company £2,722 (2019: £3,216).