

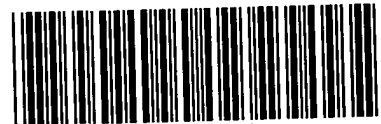
# Financial Statements

## Agrivert (West London) Limited

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For the year ended 31 December 2014

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COMPANIES HOUSE

Registered number: 08308321

## Company Information

**Directors**

R J Hunt  
C S Sullivan-Webb  
H G Waters  
R Maddan

**Company secretary**

R J Hunt

**Registered number**

08308321

**Registered office**

The Stables  
Radford  
CHIPPING NORTON  
Oxfordshire  
OX7 4EB

**Independent auditor**

Grant Thornton UK LLP  
Chartered Accountants & Statutory Auditor  
3140 Rowan Place  
John Smith Drive  
Oxford Business Park South  
OXFORD  
OX4 2WB

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# Directors' report

**For the year ended 31 December 2014**

The directors present their report and the financial statements for the year ended 31 December 2014.

## **Principal activities**

The company was incorporated on 27 November 2012. The principal activity of the company was the operation of an anaerobic digestion facility used for the processing and recycling of waste.

## **Directors**

The directors who served during the year were:

J A W Astor (resigned 31 January 2014)

R J Hunt

C S Sullivan-Webb

H G Waters

R Maddan (appointed 4 February 2014)

## **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

# Directors' report

**For the year ended 31 December 2014**

## **Auditor**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 25 March 2015 and signed on its behalf.



**R J Hunt**  
Secretary

## Independent auditor's report to the members of Agrivert (West London) Limited

We have audited the financial statements of Agrivert (West London) Limited for the year ended 31 December 2014, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

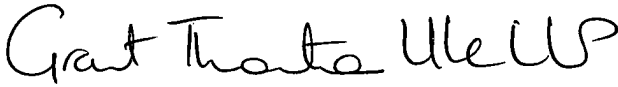
In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Independent auditor's report to the members of Agrivert (West London) Limited

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' report.



Tracey James (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
OXFORD

25 March 2015

## Profit and loss account

For the year ended 31 December 2014

		31 December 2014 £	Period ended 31 December 2013 £
	Note		
<b>Turnover</b>	1	3,558,242	-
Cost of sales		(1,108,231)	(36,770)
<b>Gross profit/(loss)</b>		2,450,011	(36,770)
Administrative expenses		(1,694,315)	(47,785)
<b>Operating profit/(loss)</b>	2	755,696	(84,555)
Interest receivable and similar income		99	-
Interest payable and similar charges		(1,167,077)	-
<b>Loss on ordinary activities before taxation</b>		(411,282)	(84,555)
Tax on loss on ordinary activities	3	60,785	-
<b>Loss for the financial year</b>	11	(350,497)	(84,555)

The notes on pages 7 to 13 form part of these financial statements.



## Balance sheet

As at 31 December 2014

	Note	£	2014 £	£	2013 £
<b>Fixed assets</b>					
Tangible assets	4		10,462,161		9,850,832
<b>Current assets</b>					
Stocks		134,201		110,011	
Debtors	5	597,390		18,609	
Cash at bank		1,708,787		336,457	
		<u>2,440,378</u>		<u>465,077</u>	
<b>Creditors:</b> amounts falling due within one year	6	<u>(987,231)</u>		<u>(400,976)</u>	
<b>Net current assets</b>			<u>1,453,147</u>		<u>64,101</u>
<b>Total assets less current liabilities</b>			<u>11,915,308</u>		<u>9,914,933</u>
<b>Creditors:</b> amounts falling due after more than one year	7		<u>(11,757,461)</u>		<u>(9,893,891)</u>
<b>Accruals and deferred income</b>	9		<u>(592,799)</u>		<u>(105,497)</u>
<b>Net liabilities</b>			<u><u>(434,952)</u></u>		<u><u>(84,455)</u></u>
<b>Capital and reserves</b>					
Called up share capital	10		100		100
Profit and loss account	11		<u>(435,052)</u>		<u>(84,555)</u>
<b>Shareholders' deficit</b>			<u><u>(434,952)</u></u>		<u><u>(84,455)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 March 2015.

  
**R J Hunt**  
 Director

The notes on pages 7 to 13 form part of these financial statements.

# Notes to the financial statements

For the year ended 31 December 2014

## 1. Accounting policies

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

### 1.2 Going concern

The company relies on the support of its parent company, Agrivert Limited. This company has pledged its support for the foreseeable future. The directors have reviewed the cashflow forecasts and working capital requirements for the company and based on this, together with the support from its parent company, consider that it is appropriate to prepare the accounts on a going concern basis.

### 1.3 Cash flow

The company has taken advantage of the exemption of producing a cashflow in accordance with the Financial Reporting Standard for Small Entities.

### 1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

### 1.5 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	-	5 - 20 years straight line
Assets under construction	-	No depreciation is charged until the asset is fully operational

### 1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

### 1.7 Stocks

Stock represents consumables and spare parts and is initially recorded at cost, with due allowance made for obsolete items.

# Notes to the financial statements

For the year ended 31 December 2014

## 1. Accounting policies (continued)

### 1.8 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

## 2. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	31 December 2014 £	Period ended 31 December 2013 £
Depreciation of tangible fixed assets:		
- owned by the company	21,062	-
- held under finance leases	653,908	-
Auditor's remuneration	4,050	500
Auditor's remuneration - non-audit	1,225	-
Pension costs	422	-
Operating leases	57,493	-
	<hr/>	<hr/>

During the year, no director received any emoluments (2013 - £NIL).

# Notes to the financial statements

For the year ended 31 December 2014

## 3. Taxation

	31 December 2014 £	Period ended 31 December 2013 £
<b>Analysis of tax charge in the year/period</b>		
<b>Deferred tax</b> (see note 8)		
Origination and reversal of timing differences	(60,785)	-
<b>Tax on loss on ordinary activities</b>	<u>(60,785)</u>	<u>-</u>

## 4. Tangible fixed assets

	Plant and machinery £	Assets under construction £	Total £
<b>Cost</b>			
At 1 January 2014	-	9,850,832	9,850,832
Additions	1,286,299	-	1,286,299
Transfer between classes	9,850,832	(9,850,832)	-
At 31 December 2014	<u>11,137,131</u>	<u>-</u>	<u>11,137,131</u>
<b>Depreciation</b>			
At 1 January 2014	-	-	-
Charge for the year	674,970	-	674,970
At 31 December 2014	<u>674,970</u>	<u>-</u>	<u>674,970</u>
<b>Net book value</b>			
At 31 December 2014	<u>10,462,161</u>	<u>-</u>	<u>10,462,161</u>
At 31 December 2013	<u>-</u>	<u>9,850,832</u>	<u>9,850,832</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2014 £	2013 £
Plant and machinery	10,376,021	-
Assets under construction	-	9,850,832
	<u>10,376,021</u>	<u>9,850,832</u>

# Notes to the financial statements

For the year ended 31 December 2014

## 5. Debtors

	2014	2013
	£	£
Trade debtors	25,901	-
Other taxation	-	9,082
Other debtors	319,796	9,527
Amounts owed by related parties	190,908	-
Deferred tax asset (see note 8)	60,785	-
	<u>597,390</u>	<u>18,609</u>

## 6. Creditors:

### Amounts falling due within one year

	2014	2013
	£	£
Net obligations under finance leases and hire purchase contracts	674,420	-
Trade creditors	165,519	14,742
Amounts owed to related parties	147,292	33,007
Other creditors	-	353,227
	<u>987,231</u>	<u>400,976</u>

## 7. Creditors:

### Amounts falling due after more than one year

	2014	2013
	£	£
Net obligations under finance leases and hire purchase contracts	5,206,151	4,693,891
Amounts owed to related parties	1,000,000	200,000
Shareholder loan	5,551,310	5,000,000
	<u>11,757,461</u>	<u>9,893,891</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2014	2013
	£	£
Repayable other than by instalments	<u>5,551,310</u>	<u>5,000,000</u>

# Notes to the financial statements

For the year ended 31 December 2014

## 7. Creditors:

### Amounts falling due after more than one year (continued)

The shareholder loan totalling £5,531,310 (2013: £5,000,000) shown above is secured by a fixed and floating charge over all the property and undertaking of the company. Interest is charged on the loan at a rate of 10%.

The amounts owing to finance leases totalling £5,880,571 (2013: £4,693,891) shown above is net of amortised issue costs of £119,429 (2013: £132,000).

SQN Asset No. 1, by way of a debenture, executed on 8 May 2013 have a fixed charge over the company property.

Grundon Waste Management Limited, by way of a debenture executed on 8 May 2013, have a fixed charge over the company property. This charge ranks behind the debenture to SQN Asset No. 1 executed on the same date.

## 8. Deferred taxation

	2014 £	2013 £
At beginning of year/period	-	-
Released during year/period (P&L)	60,785	-
	<hr/>	<hr/>
At end of year/period	60,785	-
	<hr/>	<hr/>

The deferred taxation balance is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	243,137	-
Tax losses carried forward	(303,922)	-
	<hr/>	<hr/>
	(60,785)	-
	<hr/>	<hr/>

## 9. Accruals and deferred income

	2014 £	2013 £
Accruals and deferred income	592,799	105,497
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# Notes to the financial statements

For the year ended 31 December 2014

## 10. Share capital

	2014	2013
	£	£
<b>Allotted, called up and fully paid</b>		
85 A Ordinary shares of £1 each	85	85
15 B Ordinary shares of £1 each	15	15
	<u>100</u>	<u>100</u>

## 11. Reserves

	Profit and loss account £
At 1 January 2014	(84,555)
Loss for the financial year	(350,497)
	<u>(435,052)</u>
At 31 December 2014	

## 12. Operating lease commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014	2013
	£	£
<b>Expiry date:</b>		
Within 1 year	<u>62,612</u>	<u>60,000</u>

The above commitment is an estimate based on projected turnover.

## Notes to the financial statements

For the year ended 31 December 2014

### **13. Related party transactions**

The company issued loan notes with a value of £5,000,000 in the prior period to Grundon Waste Management Limited who owns 100% of the company's B Ordinary shares. The addition of £531,310 relates to capitalised interest on this loan. All loan notes were still outstanding at 31 December 2014.

Agrivert Limited has an effective majority interest in Agrivert (West London) Limited. The company made sales of £119,003 (2013: £nil), £635,605 (2013: £nil), £1,651 (2013: £nil), £6,142 (2013: £nil), and £41,387 (2013: £nil) to Agrivert Limited, Biogas Limited, Agrivert (Ardley) Limited, Agrivert (Wallingford) Limited, and Agrivert (Hertfordshire) Limited. At 31 December 2014, £190,810 (2013: £nil) remained outstanding.

During the year the company purchased services from Agrivert Limited and Agrivert (Wallingford) Limited totalling £654,969 (2013: £33,007) and £71,311 (2013: £nil), respectively. At the year end, £137,954 (2013: £nil) and £9,338 (2013: £nil) remains outstanding, respectively.

During the year, the company made sales totalling £1,013 (2013: £nil) and purchases totalling £7,962 (2013: £nil) from Oxford Renewable Energy Limited, a joint venture company which is 50% owned by Agrivert (Biogas) Limited. At 31 December 2014, the company was owed £98 (2013: £nil). This balance is stated under amounts owed by related parties.

Agrivert (Biogas) Limited owns 100% of the Ordinary Class A share capital of Agrivert (West London) Limited. During the year Agrivert Biogas Limited loaned the company £1,000,000 (2013: £200,000). This remains outstanding at the year end.

### **14. Ultimate parent undertaking and controlling party**

The directors consider that Agrivert Biogas is the company's immediate parent undertaking, by virtue of its 100% holding of the company's A Ordinary shares. The ultimate parent company is Agrivert Group Limited, for which consolidated accounts are publicly available.