

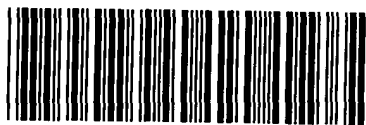
Air Products Renewable Energy Limited

Annual report and financial statements

Registered number 08443239

For the period 1 April to 30 September 2014

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Annual report and financial statements

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Directors' report (Registered number 08443239))

The directors present their annual report and the audited financial statements for the period 1st April to 30th September 2014.

Principal activities

The company facilities are currently under construction. The principal activity of the company will be the production of electricity using advanced plasma gasification energy-from-waste technology.

Principal risks and uncertainties

Competitive pressure in the UK is a continuing risk for the company. To manage this risk, the company strives to provide value-added products to its customers and maintain strong relationships with both customers and suppliers.

Proposed dividend

The directors proposed and paid a dividend of £nil during the year (31 March 2014: £nil).

Directors

The directors who held office during the year were as follows:

D. Leney
M. Sambrook
L. Jordan (resigned 17.12.2014)
J. Lockett
D. Meadows
D. Taylor

Certain directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Political and charitable contributions

The company made no political donations or incurred any political expenditure during the year.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board and signed on its behalf by:


M. Sambrook

Director

Hersham Place Technology Park
Molesey Road
Walton-on-Thames
Surrey
KT12 4RZ
16th June 2015

Statement of directors' responsibilities in respect of the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Air Products Renewable Energy Limited

We have audited the financial statements of Air Products Renewable Energy Limited for period 01 April 2014 to 30 September 2014 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 set out on page 2, 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 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.

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 30 September 2014 and of its loss for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; 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 period for which the financial statements are prepared is consistent with the financial statements.

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 take advantage of the small companies exemption from the requirement to prepare a strategic report.



Adrian Collier (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants,
15 Canada Square,
Canary Wharf,
London,
E14 5GL,
United Kingdom

30 JUNE 2015

Profit and Loss Account
for period 1 April 2014 to 30 September 2014

	<i>Note</i>	Period ended 30 Sept 2014	Period ended 31 March 2014
		£000	£000
Turnover	2	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross loss		-	-
Administrative expenses		(466)	(352)
		<hr/>	<hr/>
Operating loss		(466)	(352)
Interest payable and similar charges	6	(35)	(5)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(501)	(357)
Tax on profit on ordinary activities	7	105	82
		<hr/>	<hr/>
Loss for the financial year	13	(396)	(275)
		<hr/>	<hr/>

The operating loss for the current year arose from continuing operations.

There are no recognised gains or losses in the current year other than those charged to the profit and loss account.

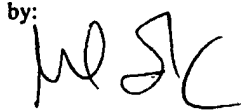
The notes on pages 8 to 13 form part of these financial statements.

Air Products Renewable Energy Limited
Annual report and financial statements
For the period 1st April to 30th September 2014

Balance Sheet
as at 30 September 2014

	<i>Note</i>	<i>As at 30 Sept 2014 £000</i>	<i>As at 30 Sept 2014 £000</i>	<i>As at 31 March 2014 £000</i>	<i>As at 31 March 2014 £000</i>
Fixed assets					
Tangible assets	8		66,885		690
Current assets					
Debtors	9	1,311		522	
		<u>1,311</u>		<u>522</u>	
Creditors: amounts falling due within one year	10	(68,867)		(1,487)	
Net current liabilities			(67,556)		(965)
Total assets less current liabilities			(671)		(275)
Net liabilities			(671)		(275)
Capital and reserves					
Called up share capital	12		-		-
Profit and loss account	13		(671)		(275)
Shareholders' funds – equity			(671)		(275)

These financial statements were approved by the board of directors on 16th June 2015 and were signed on its behalf by:



M. Sambrook

Director

Company registration number 08443239

Explanatory Notes from pages 8 to 13 form part of these financial statements

Reconciliation of Movements in Shareholders' Funds
as at 30 September 2014

	Period ended 30 Sept 2014 £000	Period ended 31 March 2014 £000
Loss for the financial year	(396)	(275)
Net (reduction)/ addition to equity shareholders' funds	(396)	(275)
Opening equity shareholders' funds	(275)	-
Closing equity shareholders' funds	(671)	(275)

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The company was incorporated on 13th March 2013. The comparative accounting period ran from 13th March 2013 to 31st March 2014. During the current year the accounting reference date was changed to 30th September. The current accounting period ran from 1st April 2014 to 30th September 2014.

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under FRS1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Air Products Group Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Air Products Group Limited, within which this company is included, can be obtained from the company's registered office.

Going Concern

The company facilities are currently under construction. The principal activity of the company will be the production of electricity using advanced plasma gasification energy-from-waste technology. The company is expected to generate positive cash flows on its own account when production of electricity commences. The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The Company has net current liabilities of £67,556,000 as at 30 September 2014. The financial statements have been prepared on a going concern basis, which the directors believe to be appropriate as they have received assurance from Air Products Group Limited that it will provide all necessary financial support to enable the Company to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the approval date of these financial statements, they have no reason to believe that it will no longer do so. Based on this understanding, they believe that it remains appropriate to prepare the financial statements on a going concern basis.

Fixed assets and depreciation

Investments are reviewed for impairment if events or changes in circumstances indicate that their carrying value may not be recoverable. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	between 10 to 30 years
Leasehold property	-	Period of the lease
Plant and machinery	-	between 4 to 40 years

Costs include directly attributable finance costs.

Notes (continued)

1 Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date or, if hedged forward, at the rate of exchange under the related forward currency contract, and the gains or losses on translation are included in the profit and loss account.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Borrowing costs

Borrowing costs are capitalised where these can be directly related to the acquisition, construction or production of qualifying assets. All other borrowing costs are recognised in the profit and loss as incurred.

Stocks

Stocks are stated at the lower of cost and net realisable value on a line by line basis. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used. For work in progress and finished goods cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Turnover

Turnover represents the amounts (excluding value added tax, credit notes and returns) derived from the provision of goods to customers. Sales of industrial gases and related equipment are recorded at the time of delivery.

2 Analysis of turnover

All of the turnover and profit before tax is attributable to the sole principal activity of the company arises in the UK..

3 Notes to the profit and loss account

The Auditor's remuneration in respect of the audit of these financial statements was £5,000 (31 March 2014:£8,000).

4 Remuneration of directors

No director received any emoluments in connection with their services as a director of the Company during the year.

Notes *(continued)*

5 Staff numbers and costs

The company has £nil employee costs as it relies on Air Products PLC for the provision of operational, administrative and management services. £nil salaries or wages have been paid to employees during the year as staff costs are borne by Air Products PLC.

6 Interest payable and similar charges

	period ended 30 Sept 2014 £000	period ended 31 March 2014 £000
Payable to group undertakings	(35)	(5)

Notes (continued)

7 Taxation

Analysis of credit in period:

	period ended 30 Sept 2014 £000	period ended 31 March 2014 £000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Adjustment in respect of prior periods	-	-
Foreign tax	-	-
Tax Relief	-	-
	<hr/>	<hr/>
Total current tax	-	-
<i>Deferred tax (see note 11)</i>		
Origination / reversal of timing differences	105	82
Adjustment in respect of prior periods	-	-
Effect of change in tax rate	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	<u>105</u>	<u>82</u>

Factors affecting the tax charge for the current period

The current tax assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK of 21% (2014: 23%). The differences are explained below:

	As at 30 Sept 2014 £000	As at 31 March 2014 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(501)	(357)
	<hr/>	<hr/>
Current tax at 21% (23% in FY14)	105	82
<i>Effects of:</i>		
Depreciation for period in excess of capital allowances	-	-
Adjustment in respect of prior periods	-	-
Deferred tax from current year losses	(105)	(82)
	<hr/>	<hr/>
Total current tax charge (see above)	<u>-</u>	<u>-</u>

The UK corporation tax rate was 23% from 1 April 2013, reducing to 21% from 1 April 2014. This gives a tax rate of 21% for the period ended 30 September 2014. The corporation tax rate is due to fall to 20% from 1 April 2015.

Notes (continued)

8 Tangible fixed assets

	Assets under construction £000	Total £000
Cost		
At beginning of year	690	690
Additions	66,195	66,195
Disposals	-	-
Transfer between item	-	-
At end of year	<u>66,885</u>	<u>66,885</u>
Depreciation		
At beginning of year	-	-
Additions	-	-
Charge for the year	-	-
On disposals	-	-
At end of year	<u>-</u>	<u>-</u>
Net book value		
At 30 September 2014	<u>66,885</u>	<u>66,885</u>
At 31 March 2014	<u>690</u>	<u>690</u>

9 Debtors

	As at 30 Sept 2014 £000	As at 31 March 2014 £000
Amounts owed by group undertakings	741	136
Prepayments	-	304
Net deferred tax assets (see note 11)	187	82
Other debtors	383	-
	<u>1,311</u>	<u>522</u>

Notes (continued)

10 Creditors: amounts falling due within one year

	As at 30 Sept 2014 £000	As at 31 March 2014 £000
Trade Creditors	2,294	-
Amounts owed to group undertakings	64,311	1,479
Accruals and deferred income	2,262	8
	<u>68,867</u>	<u>1,487</u>

11 Deferred taxation

The movement in the deferred taxation asset during the year was:

	As at 30 Sept 2014 £000	As at 31 March 2014 £000
At beginning of year	82	-
Credit from operating loss for the year	105	82
	<u>187</u>	<u>82</u>
At end of year	<u>187</u>	<u>82</u>

The elements of deferred taxation are as follows:

	As at 30 Sept 2014 £000	As at 31 March 2014 £000
Difference between accumulated depreciation and amortisation and capital allowances	-	-
Tax losses for current year	187	82
	<u>187</u>	<u>82</u>
Deferred tax asset / (liability)	<u>187</u>	<u>82</u>

12 Called up share capital

	As at 30 Sept 2014 £	As at 31 March 2014 £
<i>Allotted, called up and fully paid</i>		
Equity: 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

Notes (continued)

13 Reserves

	Profit and loss account £000
At beginning of year	(275)
Loss for the financial year	(396)
At end of year	<u>(671)</u>

14 Commitments

a) Capital commitments at the end of the financial year for which no provision has been made, are as follows:

	As at 30 Sept 2014 £000	As at 31 March 2014 £000
Contracted	153,325	140

(b) Annual commitments under non-cancellable operating leases are as follows:

	As at 30 Sept 2014 Land and buildings £000	As at 31 March 2014 Land and buildings £000
Operating leases which expire:		
Over five years	29,239	22,708

15 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a wholly owned subsidiary of Air Products Group Limited, a company incorporated in Great Britain.

The smallest group in which they are consolidated is that headed by Air Products Group Limited. The consolidated financial statements of these groups are available to the public at the company's registered office.

The largest group in which the results of the company are consolidated is that headed by Air Products and Chemicals Inc., the ultimate controlling party and a company incorporated in the State of Delaware, USA. The consolidated financial statements of this group are available to the public and may be obtained from:

Corporate Secretary
Air Products and Chemicals, Inc
7201 Hamilton Boulevard
Allentown
Pennsylvania 18195 – 1501