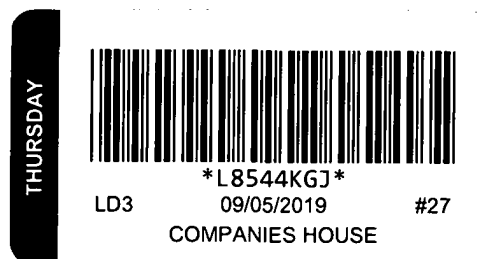


Registration number: 08443239

Air Products Renewable Energy Limited

Annual Report and Financial Statements

for the Year Ended 30 September 2018



Air Products Renewable Energy Limited

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Air Products Renewable Energy Limited

Company Information

Directors

D. Leney

D. Meadows

M. Sambrook

Registered office

Hersham Place Technology Park

Molesey Road

Walton-on-Thames

Surrey

KT12 4RZ

Auditors

KPMG LLP

Chartered Accountants

15 Canada Square,

Canary Wharf

London

E14 5GL

Air Products Renewable Energy Limited

Directors' Report for the Year Ended 30 September 2018

The directors present their report and the financial statements for the year ended 30 September 2018.

Directors of the company

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

D. Leney

D. Meadows

M. Sambrook

Principal activity

On 29 March 2016, the Board of Directors of the Company's ultimate parent, Air Products and Chemicals, Inc, confirmed the Air Products Group's exit from its Energy-from-Waste (EfW) business. As a result, efforts to start up and operate the Company's EfW project located in Tees Valley, United Kingdom, have been discontinued. The decision to exit the business and stop development of the EfW projects was based on continued difficulties encountered with the Company's project; and the conclusion, based on testing and analysis completed during 2016, that significant additional time and resources would be required to make the projects operational.

On that basis the entity did not trade in the year and these accounts have not been prepared on a going concern basis.

Political donations

The company made no political contributions during the year.

Results and dividends

The loss for the year ended 30 September 2018 was £102,000 (2017: profit of £237,235,000). The Directors do not recommend the payment of a dividend.

Employees

The company has no employees.

Strategic Report

The company has taken advantage of the exemption contained in section 414B of the Companies Act 2006 not to prepare a Strategic Report as it is eligible to prepare its financial statements in accordance with the small companies' regime.

Going concern

As detailed above, the Board of Directors of the Company's ultimate parent, Air Products and Chemicals, Inc, confirmed the Air Products Group's exit from its Energy-from-Waste (EfW) business in 2016. Following this decision, given the construction of an Energy-from-Waste facility was the company's sole business, directors have decided not to prepare the financial statements on a going concern basis. Apart from the impairment of fixed assets as described in note 7 and adjustments to provisions in note 10 no other adjustments were necessary to the amounts at which the remaining net liabilities are included in these financial statements.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

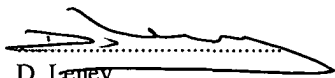
Air Products Renewable Energy Limited

Directors' Report for the Year Ended 30 September 2018

Reappointment of auditors

In accordance with section 512 of the Companies Act 2006, the auditor will not be deemed to be reappointed and KPMG LLP will therefore not continue in office. Deloitte LLP will be invited to be appointed as auditor for subsequent years.

Approved by the Board on 3rd May 2019 and signed on its behalf by:



D. Loney
Director

Hersham Place Technology Park
Molesey Road
Walton-on-Thames
Surrey
KT12 4RZ

Air Products Renewable Energy Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 apply them consistently;
- make judgements and accounting 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. As explained in note 2, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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

Opinion

We have audited the financial statements of Air Products Renewable Energy Limited ("the company") for the year ended 30 September 2018 which comprise the Profit and Loss Account, Statement of Comprehensive Income, Statement of Changes in Equity, Balance Sheet and related notes, including the accounting policies in note 2. These financial statements have not been prepared on the going concern basis for the reason set out in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Independent Auditor's Report to the Members of Air Products Renewable Energy Limited

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

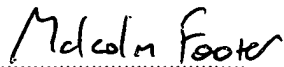
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Malcolm Footer (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square,
Canary Wharf
London
E14 5GL

Date: 3. May 2019

Air Products Renewable Energy Limited

Profit and Loss Account for the Year Ended 30 September 2018

	Note	2018 £ 000	2017 £ 000
Administrative expenses		(11)	-
Impairment of fixed assets	7	-	4,070
Write down of amounts owed to fellow subsidiary		-	232,041
Release of unused provision		28	1,281
		<hr/>	<hr/>
Profit for the year	3	17	237,392
Interest payable and similar expenses	4	(119)	(157)
		<hr/>	<hr/>
(Loss)/profit before tax		(102)	237,235
		<hr/>	<hr/>
(Loss)/profit for the financial year		(102)	237,235
		<hr/>	<hr/>

The notes on pages 11 to 18 form an integral part of these financial statements.

Air Products Renewable Energy Limited

Statement of Comprehensive Income for the Year Ended 30 September 2018

	2018	2017
	£ 000	£ 000
(Loss)/profit for the year	(102)	237,235
Total comprehensive income for the year	(102)	237,235

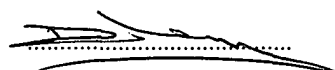
The notes on pages 11 to 18 form an integral part of these financial statements.

Air Products Renewable Energy Limited

(Registration number: 08443239)
Balance Sheet as at 30 September 2018

	Note	2018 £ 000	2017 £ 000
Current assets			
Tangible assets	7	-	8,369
Debtors	8	25	38
Cash at bank and in hand		<u>757</u>	<u>110</u>
		782	8,517
Creditors Amounts falling due within one year	9	(8,230)	(15,806)
Provisions	10	<u>(2,105)</u>	<u>(2,162)</u>
Net liabilities		<u>(9,553)</u>	<u>(9,451)</u>
Capital and reserves			
Profit and loss account		<u>(9,553)</u>	<u>(9,451)</u>
Total equity		<u>(9,553)</u>	<u>(9,451)</u>

Approved and authorised by the Board on 3rd May 2019 and signed on its behalf by:


D. Leney
Director

Air Products Renewable Energy Limited

Statement of Changes in Equity for the Year Ended 30 September 2018

	Profit and loss account £ 000	Total £ 000
At 1 October 2017	(9,451)	(9,451)
Loss for the year	(102)	(102)
Total comprehensive income	(102)	(102)
At 30 September 2018	(9,553)	(9,553)
	Profit and loss account £ 000	Total £ 000
At 1 October 2016	(246,686)	(246,686)
Profit for the year	237,235	237,235
Total comprehensive income	237,235	237,235
At 30 September 2017	(9,451)	(9,451)

The notes on pages 11 to 18 form an integral part of these financial statements.

Air Products Renewable Energy Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Hersham Place Technology Park

Molesey Road

Walton-on-Thames

Surrey

KT12 4RZ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Measurement convention

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value

Air Products Renewable Energy Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

Exemptions for qualifying entities under FRS 102

- The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its parent company, Air Products and Chemicals Inc, includes the company's cash flows in its own consolidated financial statements. The consolidated financial statements of Air Products and Chemicals Inc are prepared in accordance with US Generally Accepted Accounting Principles and are available to the public. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures
- The company has taken advantage of the exemption, available under FRS 102 para 33.7 for disclosing total compensation of key management personnel.
- The company has taken advantage of the exemption for qualifying entities from certain financial instrument disclosures, on the basis that the equivalent disclosures are included in the consolidated financial statements of Air Products and Chemicals Inc, the ultimate parent company.

The company has taken advantage of the exemption, available under FRS 102 33.1 (a), for disclosing related party transactions as they are all with other companies that are wholly owned by Air Products and Chemicals Inc.

The consolidated financial statements of ultimate parent Air Products and Chemicals Inc, within which this company is included, can be obtained from the company's registered office.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Air Products Renewable Energy Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

Impairment

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Impairment losses recognised in respect of income-generating units are allocated first to reduce the carrying amount of any goodwill allocated to income-generating units, then to any capitalised intangible asset and finally to the carrying amount of the tangible assets in the unit on a pro rata or more appropriate basis. An income generating unit is the smallest identifiable group of assets that generates income that is largely independent of the income streams from other assets or groups of assets.

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment. For an asset that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs.

Reversals of impairment

For other fixed assets where the recoverable amount increases as a result of a change in economic conditions or in the expected use of the asset then the resultant reversal of the impairment loss should be recognised in the current period.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Directors Report on page 2. The Board of Directors of the Company's ultimate parent, Air Products and Chemicals, Inc, confirmed the Air Products Group's exit from its Energy-from-Waste (EfW) business in 2016. Following this decision, given the construction of an Energy-from-Waste facility was the company's sole business, directors have decided not to prepare the financial statements on a going concern basis.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Air Products Renewable Energy Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

Basic financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

3 Profit for the year

Arrived at after crediting

	2018 £ 000	2017 £ 000
Impairment of fixed asset	-	(4,070)

4 Interest payable and similar expenses

	2018 £ 000	2017 £ 000
Interest payable on loans from group undertakings	119	157

5 Auditor remuneration

	2018 £ 000	2017 £ 000
Audit of the financial statements	5	5

Air Products Renewable Energy Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

6 Staff and Directors costs

The company has no employee costs as it relies on Air Products PLC for the provision of operational, administrative and management services. No salaries or wages have been paid to employees during the current year or prior year as staff costs are borne by Air Products PLC.

Directors received £nil emoluments in connection with their services as a director of the company during the year (2017: £nil).

Air Products Renewable Energy Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

7 Tangible assets

	Assets under construction £ 000	Total £ 000
Cost or valuation		
At 1 October 2017	8,369	8,369
Disposals	(8,369)	(8,369)
At 30 September 2018	-	-
Impairment		
Carrying amount		
At 30 September 2018	-	-
At 30 September 2017	8,369	8,369

Impairment

Assets under construction

On 29 March 2016, the Board of Directors of the Company's ultimate parent, Air Products and Chemicals, Inc, confirmed the Air Products Group's exit from its Energy-from-Waste (EfW) business. As a result, efforts to start up and operate the Company's EfW project located in Tees Valley, United Kingdom, have been discontinued. The decision to exit the business and stop development of the EfW projects was based on continued difficulties encountered with the Company's project; and conclusion, based on testing and analysis completed during 2016, that significant additional time and resources would be required to make the projects operational.

EfW related plant assets with a book value of £8,369,000 were sold to Millennium EfW Limited in the year ended 30 September 2018.

8 Debtors

	2018 £ 000	2017 £ 000
Other debtors	25	38
	25	38

Air Products Renewable Energy Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

9 Creditors

	2018 £ 000	2017 £ 000
Due within one year		
Trade creditors	-	68
Amounts due to related parties	8,207	15,720
Accrued expenses	23	18
	8,230	15,806

Funding provided to the Company by fellow Air Products Group entity, Air Products BR Limited, related to the construction of the EFW plant facility has been fully waived, recording a credit to the income statement of £232,041,000 in the year ended 30 September 2017.

10 Provisions

	Other provisions £ 000	Total £ 000
At 1 October 2017	2,162	2,162
Provisions used	(29)	(29)
Released	(28)	(28)
At 30 September 2018	2,105	2,105

11 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£ 000	No.	£ 000
Ordinary shares of £1 each	2	-	2	-

As amounts in these financial statements are rounded to the nearest £1,000, the allocated, called up and fully paid share capital comprising of 2 ordinary shares of £1 each is presented as Nil.

Air Products Renewable Energy Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

12 Related Party Disclosures

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

The largest and smallest group in which the results of the company are consolidated is 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