Company Registration No. 1874716

ENER-G COMBINED POWER LIMITED

Report and Financial Statements

For the year ended 31 March 2011

REPORT AND FINANCIAL STATEMENTS 2011

CONTENTS

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

T H Scott
A J Evans
D J Duffill
A K Barlow
P Law
C J Hayton
C J Marsland
C S Dixon (appointed 1 August 2010)
A Mayall (appointed 1 August 2010)

SECRETARY

A J Evans

REGISTERED OFFICE

ENER-G House
Daniel Adamson Road
Salford
Manchester
M50 1DT

BANKERS

Barclays Bank plc
3 Hardman Street
Manchester
M3 3AX

SOLICITORS

Stevens & Bolton LLP
The Billings
Walnut Tree Close
Guildford
GU1 4YD

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
2 Hardman Street
Manchester
M60 2AT

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2011

REVIEW OF BUSINESS

The principal activity of the company during the year was the manufacture, supply and maintenance of combined heat and power units The company's operating profit improved by over 11% as a result of increased turnover from larger projects, net assets increasing by over 12%

All areas of the company's current activity are in sectors offering good potential for future growth – supported by UK, EU and worldwide policies for sustainable energy and energy efficiency We expect to make steady progress in our selected markets with an increasing focus on development of new markets for business outside the UK The various EU initiatives focusing on emissions reduction, energy saving and renewable energy are encouraging new growth in the sector and this will have increasing impact as we build new projects

RESULTS AND DIVIDENDS

The profit after tax for the year amounted to £2,012,472 (2010 profit of £1,488,135) as shown on page 6 The directors do not recommend the payment of a dividend (2010 same)

GOING CONCERN

Based on the assumptions outlined in note 1 to the financial statements, the directors have concluded that the company has adequate resources to continue in operation and manage the risks for the forseeable future For this reason, they continue to adopt the going concern basis in preparing the financial statements

RESEARCH AND DEVELOPMENT

The company continues to carry out significant research and development of its products with £65,000 of costs incurred in the year (2010 £116,000)

DIRECTORS

The directors during the year under review and thereafter were

T H Scott	
A J Evans	
D J Duffill	
A K Barlow	
P Law	
C J Hayton	
C J Marsland	
C S Dixon	(appointed 1 August 2010)
A Mayall	(appointed 1 August 2010)

PRINCIPAL RISKS AND UNCERTAINTIES

The directors periodically review and agree objectives for managing risk These objectives, which have remained unchanged from previous years, are summarised below

Market risk

The company's turnover, currently mainly in pounds sterling, relates to energy operations and maintenance services provided under medium and long term contracts and the supply of power generation equipment to both third party customers and group companies, who normally benefit from government incentives for environmentally-friendly power generation

Liquidity risk and interest rate risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably

DIRECTORS' REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Credit risk

The company's principal assets are plant & equipment, stock, work in progress and trade debtors The company has entered into several long term contracts with UK government bodies where energy services are provided using plant and equipment owned by the company As equipment is built to order and progress payments are normally received in advance of shipment, credit risk is reduced significantly Further, large contracts are non-recourse funded The loss of individual customers or failure of individual contracts would not have a substantial impact on the company's performance This risk is minimised by obtaining credit reports for all prospective customers before contracts are signed and by contracting renewable energy sales only with electricity suppliers with an acceptable international credit rating

AUDITOR

Each of the persons who is a director at the date of the approval of this report confirms that

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

During the year Deloitte LLP were appointed as the company's auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board

D J Duffill
Director

12 December 2011

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible 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 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) The financial statements are required by law to 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 judgements 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 proper accounting records that 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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENER-G COMBINED POWER LIMITED

We have audited the financial statements of ENER-G Combined Power Limited for the year ended 31 March 2011, which comprise the profit and loss account, the statement of recognised gains and losses, the balance sheet and the related notes 1 to 21 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

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 March 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters 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

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

Willi Smith

William Smith MA ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

13 December 2011

PROFIT AND LOSS ACCOUNT
Year ended 31 March 2011

	Note	2011 £	2010 £
TURNOVER	2	36,941,280	29,790,935
Cost of sales		(28,520,786)	(22,518,108)
GROSS PROFIT		8,420,494	7,272,827
Administrative expenses		(6,158,875)	(5,238,963)
OPERATING PROFIT	3	2,261,619	2,033,864
Interest receivable (net)	4	300,583	42,480
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,562,202	2,076,344
Tax on profit on ordinary activities	5	(549,730)	(588,209)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	15, 16	2,012,472	1,488,135

All transactions relate to continuing operations

The company has no recognised gains or losses, other than those shown in the profit and loss account for the current and prior year Accordingly, a separate statement of recognised gains and losses has not been presented

The notes set out on pages 8 to 16 form part of these financial statements

BALANCE SHEET
As at 31 March 2011

	Note	2011 £	2011 £	2010 £	2010 £
FIXED ASSETS					
Tangible assets	8		15,350,387		14,236,920
CURRENT ASSETS					
Stocks	9	7,613,474		8,034,851	
Debtors	10	21,731,526		12,384,423	
Cash at bank and in hand		4,074,694		5,491,141	
		33,419,694		25,910,415	
CREDITORS: amounts falling due within one year	11	(12,668,037)		(10,650,228)	
NET CURRENT ASSETS			20,751,657		15,260,187
TOTAL ASSETS LESS CURRENT LIABILITIES			36,102,044		29,497,107
CREDITORS: amounts falling due after more than one year	11		(16,128,232)		(12,085,497)
PROVISIONS FOR LIABILITIES AND CHARGES	12		(3,633,840)		(3,084,110)
NET ASSETS			16,339,972		14,327,500
CAPITAL AND RESERVES					
Called-up share capital	13		5,120,325		5,120,325
Share premium account	14		5,743,845		5,743,845
Profit and loss account	15		5,473,802		3,463,330
SHAREHOLDERS' FUNDS	16		16,339,972		14,327,500

The notes set out on pages 8 to 16 form part of these financial statements

These financial statements of ENER-G Combined Power Limited, registered number 1874716, were approved and authorised for release by the Board of Directors on 12 December 2011

Signed on behalf of the Board of Directors

D J Duffill

Director

NOTES TO THE ACCOUNTS
Year ended 31 March 2011

1. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards under the historical cost convention These have been applied consistently in the current and prior year

Basis of accounting

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Going concern

The company is a subsidiary within the ENER-G plc group The company has received confirmation of support by the parent company for a period of 12 months from the date of signing these accounts to the extent required The directors of this company are cognisant of the following going concern disclosure which appears in the financial statements of ENER-G plc for the year ended 31 March 2011

"The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review together with a summary of the principal risks facing the Group (including financial risks) and the Group's strategy for managing those risks The financial position of the Group, its cash flows, liquidity position and borrowing facilities are further described in the financial statements

The Group has considerable financial resources, including cash of £17 4 million, together with long-term contracts with a number of customers and suppliers across different geographical areas and sectors As a consequence, the directors believe that the Group is well-placed to manage its business risks successfully despite the current uncertain economic outlook

Based on the latest forecasts, applying sensitivity analysis in respect of reasonably expected future events, the directors consider that the Group and Company have adequate resources to continue in operational existence for the foreseeable future Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements "

After considering all the factors, the directors consider that this company has adequate resources to continue in operation and manage the risks for the foreseeable future despite the current uncertain economic outlook Accordingly they continue to adopt the going concern basis in the preparation of the annual financial statements

Turnover

Turnover represents the proportion of work performed to date on long-term maintenance contracts, and the income generated to date on long term energy services contracts It is recognised when the proportion of work is performed as long-term contracts progress

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving stock Cost is determined on a first in, first out, basis and, in the case of work in progress and finished goods, includes all direct expenditure and production overheads, based on normal levels of activity, incurred in bringing products to their present location and condition

Net realisable value is based on estimated selling price less any further costs of realisation

Long-term contracts

These are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity progresses Where appropriate, attributable profits and anticipated losses are recognised The amount by which the recorded turnover exceeds payments on account is shown separately within debtors in the balance sheet Where payments on account exceed turnover the excess is shown separately within creditors in the balance sheet

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2011

1. ACCOUNTING POLICIES (continued)

Public private partnership (PPP) contracts

Where group companies enter into PPP contracts with government bodies to finance, construct and operate assets designed for the provision of energy services, the risks and rewards of plant ownership are assessed Where these are determined to remain with the company, which is the case in respect of all current contracts, the constructed asset is capitalised within fixed assets at cost and depreciated over the period of the agreement The related operating income is recognised on a straight-line basis over the period of the agreement

Non-recourse finance provision

When group companies enter into an agreement to sell their rights to a future income stream for a fixed amount, without any recourse by either party, then the monies received are credited to a deferred income account and released to profit over the period of the future income stream

Research and development expenditure

Research and development expenditure is written off as incurred, except for specifically identifiable development expenditure which is likely to generate future income streams Such expenditure is capitalised and amortised over its expected useful life

Fixed assets

Tangible fixed assets are capitalised at cost Depreciation is provided on all tangible fixed assets in use at rates calculated to write off the cost of each asset, less estimated residual value and any provision for impairment, over its expected useful life, as follows

Permanent power plant	Life of the operating contract
Plant and machinery	4 - 10 years
Motor vehicles	3 - 4 years
Fixtures and fittings	5 years
Office equipment	4 years
Computer equipment	3 years

Assets under construction are not depreciated

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more or right to pay less tax Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Leases

Assets acquired under finance lease and hire purchase agreements are included in tangible fixed assets and depreciated in accordance with the company's depreciation policy The capital element of any future lease payment is included in creditors Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2011

1 ACCOUNTING POLICIES (continued)

Foreign currencies

Transactions denominated in foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction Assets and liabilities denominated in foreign currency are translated into sterling at the exchange rate ruling at the balance sheet date

All exchange differences are taken to the profit and loss account

Pension costs

The company contributes to a money purchase pension scheme which is operated by an independent pension provider Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme

Cash flow statements

The directors have taken advantage of the exemption in Financial Reporting Standards No 1 (Revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly-owned and its ultimate parent publishes a consolidated cash flow statement within its group accounts which are publically available

2. TURNOVER

The company's turnover relates to its principal activity, which is undertaken in Europe

3. OPERATING PROFIT

	2011 £	2010 £
Operating profit is stated after charging:		
Depreciation on owned assets	1,208,818	822,418
Research and development costs	64,807	116,355
Foreign exchange loss	60,105	113,367
Auditor's remuneration for the statutory audit of the company	11,300	12,000
Operating lease rentals - other	275,592	197,585
Profit on sale of fixed assets	18,764	3,850

No non-audit fees were incurred in the year (2010 £nil) The fees payable to the company's auditor in the previous year were to the company's previous auditor

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2011

4. INTEREST RECEIVABLE (NET)

	2011 £	2010 £
Interest receivable:		
Interest receivable on bank deposits	189,336	43,761
Interest receivable on group loans	109,514	-
Interest receivable on late payments	1,733	-
	300,583	43,761
Interest payable:		
Interest payable on bank overdraft	-	(929)
Interest payable on late payments	-	(352)
	-	(1,281)
Net interest receivable	300,583	42,480

5. TAXATION

(a) Analysis of charge in the year

	2011 £	2010 £
Corporation tax charge / (credit) for the current year	-	(390,219)
Adjustments in respect of previous years	-	(677)
Current tax charge / (credit) for the year (note 5b below)	-	(390,896)
Deferred taxation (see note 12)	549,730	979,105
Tax charge on profit on ordinary activities	549,730	588,209

(b) Factors affecting the tax charge / (credit) for the year

	2011 £	2010 £
A full tax charge on profits on ordinary activities at the standard rate of corporation tax in the UK of 28% (2010 28%) would be	717,417	581,376
The taxation charge has been increased / (reduced) by		
Accelerated capital allowances	(873,760)	(979,105)
Expenses not deductible for tax purposes	7,563	7,510
Adjustments in respect of previous years	-	(677)
Utilisation of tax losses	148,780	-
Current tax charge / (credit) for the year (note 5a above)	-	(390,896)

The Government announced in June 2010 that it intended to reduce the rate of corporation tax from 28% to 24% over four years, and Finance Act 2010 included provisions to reduce the rate of corporation tax to 27% with effect from 1 April 2011 On 23 March 2011 the Government announced that it intends to further reduce the rate of corporation tax to 26% with effect from 1 April 2011 and then by 1% per annum to 23% by 1 April 2014 The rate change to 26% was substantively enacted on 29 March 2011, and the deferred tax balances have been according revalued to the lower rate of 26% in these accounts

As further reductions in the rate were not substantively enacted by 31 March 2011, the impact of the anticipated rate change is not reflected in the tax provisions reported in these accounts

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2011

6. STAFF COSTS

The average number of staff employed by the company during the financial year was

	2011 No.	2010 No.
Office and management	51	48
Research and development	6	6
Service and maintenance	54	52
Production	20	18
	131	124

	£	£
The aggregate payroll costs during the year were		
Wages and salaries	4,020,445	3,662,435
Social security costs	422,969	407,304
Other pension costs	232,001	200,791
	4,675,415	4,270,530

7 DIRECTORS' EMOLUMENTS

	2011 £	2010 £
Benefits in kind	25,627	48,444

In addition to the above, the Directors were remunerated by ENER-G plc for their services to several companies within the group, including this company The total remuneration received by the directors for the year was £1,043,992 (2010 £881,569) from ENER-G plc, but it is not practicable to allocate this between their services as executives of the various group companies

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2011

8. TANGIBLE FIXED ASSETS

	Permanent power plant £	Plant and machinery £	Assets under construction £	Fixtures and fittings £	Computer and office equipment £	Motor vehicles £	Total £
Cost							
At 1 April 2010	13,082,957	402,741	2,257,297	275,931	210,112	520,904	16,749,942
Additions	674,460	43,370	1,566,588	6,877	22,557	10,409	2,324,261
Reclassification	3,823,885	-	(3,823,885)	-	-	-	-
Disposals	-	-	-	(255)	(70,839)	(70,505)	(141,599)
At 31 March 2011	17,581,302	446,111	-	282,553	161,830	460,808	18,932,604
Depreciation							
At 1 April 2010	1,588,469	325,173	-	185,403	157,592	256,385	2,513,022
Charge for the year	1,000,629	43,296	-	31,836	31,290	101,767	1,208,818
Disposals	-	-	-	(213)	(70,211)	(69,199)	(139,623)
At 31 March 2011	2,589,098	368,469	-	217,026	118,671	288,953	3,582,217
Net book value							
At 31 March 2011	14,992,204	77,642	-	65,527	43,159	171,855	15,350,387
At 31 March 2010	11,494,488	77,568	2,257,297	90,528	52,520	264,519	14,236,920

Permanent power plant includes PPP (public private partnership) assets with a net book value of £14,992,204 (2010 £11,494,488) which are the subject of a charge to the Co-operative Bank plc following the sale of the future cash flows attached to the assets

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2011

9. STOCKS AND WORK-IN-PROGRESS

	2011 £	2010 £
Stores and consumables	4,678,241	4,789,047
Work-in-progress	3,735,946	3,872,132
Payments on account	(800,713)	(626,328)
	7,613,474	8,034,851

10. DEBTORS

	2011 £	2010 £
Due within one year:		
Trade debtors	4,809,792	5,315,130
Other debtors	48,389	82,449
Prepayments and accrued income	3,200,014	2,502,039
Amounts recoverable on contracts	-	85,772
Corporation tax	255,976	444,604
Amounts owing by ultimate parent undertaking	-	360
Amounts owing by group undertakings	13,417,355	3,954,069
	21,731,526	12,384,423

11. CREDITORS

	2011 £	2010 £
Amounts falling due within one year:		
Trade creditors	5,139,416	5,991,629
Payments on account	650,905	966,016
Other creditors	287,340	367,301
Other taxation and social security costs	605,295	119,207
Accruals and deferred income	4,702,263	2,870,776
Amounts owing to ultimate parent undertaking	1,802	-
Amounts owing to group undertakings	1,281,016	335,299
	12,668,037	10,650,228
Amounts falling due after more than one year:		
Deferred income	16,128,232	12,085,497

Income deferred for more than one year relates to the sale of receivables, as it did last year, and is being released over the lives of the related PPP contracts in accordance with the company accounting policy

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2011

12. PROVISIONS FOR LIABILITIES

	Deferred tax £
At 1 April 2010	3,084,110
Provided during the year	549,730
Balance at 31 March 2011	3,633,840

The deferred taxation provision consists of:

	2011 £	2010 £
Accelerated capital allowances	3,495,520	2,890,631
Rolled over gains	276,479	193,480
Trading losses	(138,159)	-
	3,633,840	3,084,111

13. SHARE CAPITAL

	2011 £	2010 £
Allotted, called-up and fully paid		
5,120,325 Ordinary shares of £1 each	5,120,325	5,120,325

14. SHARE PREMIUM ACCOUNT

	£
At 1 April 2010 and 31 March 2011	5,743,845

15. PROFIT AND LOSS ACCOUNT

	2011 £	2010 £
As at 1 April	3,463,330	1,975,195
Profit for the year	2,012,472	1,488,135
As at 31 March	5,473,802	3,463,330

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2011

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Shareholders' funds at beginning of year	14,327,500	12,839,365
Profit for the year	2,012,472	1,488,135
Shareholders' funds at end of year	16,339,972	14,327,500

17 OPERATING LEASE COMMITMENTS

The following annual payments are committed in respect of plant and machinery held under operating leases

	2011 £	2010 £
Leases expiring next year	37,326	14,248
Leases expiring between two and five years	138,657	184,754
	175,983	199,002

18. CAPITAL COMMITMENTS

	2011 £	2010 £
Capital commitments	-	1,561,139

19. CONTINGENT LIABILITIES

Under the group's UK banking arrangements, each participating group company jointly and severally cross-guarantees the liabilities of all other participating group companies At the balance sheet date there was no potential liability

20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent company is ENER-G plc, a company incorporated in Great Britain and registered in England and Wales The company's immediate parent company is ENER-G Holdings plc, a company incorporated in Great Britain and registered in England and Wales The ultimate group, which is the smallest and largest group in which the results are consolidated, is headed by ENER-G plc ENER-G plc is ultimately owned by a family trust of T H Scott, which is considered to be the ultimate controlling party

Group accounts for ENER-G plc are available from Companies Registration Office, Crown Way, Maindy, Cardiff, CF4 3UZ

21 RELATED PARTY TRANSACTIONS

The company has claimed the exemption contained in FRS 8, which is available to wholly-owned subsidiaries, not to disclose related party transactions with other members of the group

The company sold goods and services at arms length to Biogas Technology Limited, a related party by virtue of being under the common control of T H Scott, or a family trust, amounting to £7,221 (2010 £2,641)

The net balance with Biogas Technology Limited at 31 March 2011 was a debit of £2,950 (2010 £1,354)