



energy for tomorrow's generation

Fibrowatt Group Limited

Report and financial statements

for the year ended 31 March 2012

Registered number 02868498

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COMPANIES HOUSE

Directors and advisers

Directors

E J Wilkinson
D P Tilstone

Secretary

Everssecretary Limited
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Bankers

Barclays Bank Plc
1 Churchill Place
London
E14 5HP

Registered office

6 Deben Mill Business Centre
Old Maltings Approach
Woodbridge
Suffolk
IP12 1BL

Directors' report for the year ended 31 March 2012

The directors present their report and the audited financial statements for the company for the year ended 31 March 2012

Principal activities

The company does not trade and its sole activity is the holding of shares in five wholly owned subsidiaries. The group's primary business is the ownership and operation of three electricity power stations fuelled by chicken litter and other biomass materials and the selling some of the resultant ash as high quality fertiliser.

Business review and future developments

The results of the company for the year and financial position at the year-end were satisfactory.

During the forthcoming year it is the intention of the directors to transfer the assets of the company to its parent company Energy Power Resources Limited and enter into a process which will result in the company becoming dormant.

Results and dividends

The company's profit for the financial year was £29,771 (2011: £26,346).

The directors do not recommend the payment of a dividend.

Directors

The directors of the company, who held office during the year and up to the date of signing the financial statements, are given below:

E J Wilkinson
D P Tilstone

Directors' third-party indemnity provision

A qualifying third-party indemnity provision as defined in section 234 of the Companies Act 2006 is in force for the benefit of each of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which directors may not be indemnified, the company maintained a directors' and officers' liability insurance policy throughout the financial year.

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with those of the group and are not managed separately. The group has an agreed formal risk management policy and framework that covers identification, mitigation, control, monitoring and review of risks on a regular basis. Further discussion of group wide risks is provided within the directors' report of MEIF Renewable Energy (Holdings) Limited which does not form part of this report.

Directors' report for the year ended 31 March 2012

Financial risk management

The company's operations expose it to limited financial risk that include price risk, liquidity risk and interest rate risk

Given the size of the company, the directors have not delegated responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Price Risk

The company is exposed to commodity price risk relating to electricity as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to these price risks exceed any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature. The company has no exposure to equity securities price risk as it holds no listed or other equity investments.

Liquidity risk

The company maintains cash balances and has access to short-term finance so as to ensure the company has sufficient available funds for operations.

Statement of directors' responsibilities

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 prepared 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 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,
- 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.

Directors' report for the year ended 31 March 2012

Statement of disclosure of information to auditors

So far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Independent auditors

In accordance with section 487(2) of the Companies Act 2006 the auditors, PricewaterhouseCoopers LLP, are deemed to be re-appointed

By order of the board



E J Wilkinson
Director

15 August 2012

Independent auditors' report

to the members of Fibrowatt Group Limited

We have audited the financial statements of Fibrowatt Group Limited for the year ended 31 March 2012 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities set out on page 3, 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' 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 2012 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 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 auditors' report

to the members of Fibrowatt Group 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



Nicholas Stevenson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

15 August 2012

Profit and loss account

for the year ended 31 March 2012

	Notes	2012 £	2011 £
Administrative expenses		(60)	(24)
Operating loss	3	(60)	(24)
Interest receivable and similar income		40,292	36,616
Profit on ordinary activities before taxation		40,232	36,592
Tax on profit on ordinary activities	4	(10,460)	(10,246)
Profit for the financial year	9	29,772	26,346

All items dealt with in the profit and loss account above relate to continuing operations

There is no material difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents

The company has no recognised gains or losses other than the results above and therefore no separate statement of total recognised gains and losses has been prepared

Balance sheet

as at 31 March 2012

	Notes	2012 £	2011 £
Fixed assets			
Investments – subsidiaries	5	4,584,516	4,584,516
Current assets			
Debtors	6	5,929,843	5,889,551
Cash at bank and in hand		39,133	39,193
Creditors amounts falling due within one year	7	5,968,976 (85,730)	5,928,744 (75,270)
Net current assets		5,883,246	5,853,474
Net assets		10,467,762	10,437,990
Capital and reserves			
Called up share capital	8	528,728	528,728
Share premium account	9	9,340,574	9,340,574
Profit and loss account	9	598,460	568,688
Total shareholders' funds	10	10,467,762	10,437,990

The financial statements on pages 7 to 13 were approved by the board of directors on 15 August 2012 and were signed on its behalf by



E J Wilkinson
Director

Registered number 02868498

Notes to the financial statements

for the year ended 31 March 2012

1. Accounting policies

The financial statements are prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. A summary of the more important accounting policies, which have been applied consistently, are set out below.

Group financial statements

The company has taken advantage of the exception available under section 400 of the Companies Act 2006 not to prepare consolidated financial statements, on the basis that the company's holding company is MEIF Renewable Energy (Holdings) Limited, a company established under UK law that prepares consolidated financial statements.

Cash flow statement

The directors have taken advantage of the exemption in FRS1, "Cash flow statements" (revised 1996), from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Impairment

The carrying value of the company's assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Investments

The company's investment in subsidiary undertakings is stated at cost less, where applicable, amounts written off to reflect the value of the underlying net assets of the investment at the balance sheet date.

Deferred taxation

Deferred tax 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 a right to pay less or to receive more, tax, with the following exception:

- 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 substantially enacted at the balance sheet date.

Group relief

Credits for amounts receivable in respect of tax losses surrendered to group companies are recognised in the year in which the losses are surrendered, as are charges in respect of tax losses claimed from group companies.

Financial instruments

As the company has not elected to adopt FRS 26, "Financial Instruments Measurement", it is entitled to, and has claimed exemption from, the disclosure requirements of FRS 29, "Financial Instruments". Financial assets and financial liabilities are recognised upon becoming a party to the contractual provisions of the instrument.

Financial liabilities

Financial liabilities instruments are classified according to the substance of the contractual arrangements entered into.

Notes to the financial statements

for the year ended 31 March 2012

1. Accounting policies (continued)

Equity interests

An equity interest is any contract that gives a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

2. Employee information

The company paid no remuneration or wages (2011: nil) to its directors and had no other employees during the year.

3. Operating loss

Operating loss is stated after charging the following

	2012 £	2011 £
Auditors' remuneration – audit services	-	-

Auditors' remuneration of £500 (2011: £75) was borne by Energy Power Resources Limited and not recharged.

4. Tax on profit on ordinary activities

a) Analysis of charge in the year

	2012 £	2011 £
Current tax		
Group relief payable	10,460	10,246
Total current tax	10,460	10,246

b) Factors affecting current tax charge for the year

The tax assessed on the profit on ordinary activities for the year does not differ to the standard rate of corporation tax in the UK of 26% (2011: 28%).

c) Factors that may affect future tax charges

On 1 April 2012 the UK corporation tax rate reduced from 26% to 24%, and will reduce by a further 1% a year over the following two years. These further reductions from 24% were not substantively enacted at the balance sheet date. This rate change will affect the amount of future cash tax payments to be made by the company.

Notes to the financial statements

for the year ended 31 March 2012

5. Investments

	£
Cost and net book value At 1 April 2011 and at 31 March 2012	4,584,516

The subsidiary undertakings, their country of registration or incorporation, the proportion of ordinary shares held, and their principal activities are as set out below

<i>Name</i>	<i>%</i>	<i>Company</i>	<i>Principal activities</i>
Fibrowatt Limited	100	England	Providing management and office services
EPR Glanford Limited	100	England	Operation of electricity power station
EPR Eye Limited	100	England	Operation of electricity power station
EPR Thetford Limited	100	England	Operation of electricity power station
Fibrophos Limited	100	England	Selling ash fertiliser product of power stations

All companies have a 31 March year-end

6. Debtors

	2012 £	2011 £
Amounts owed by group undertakings	5,929,843	5,889,551

Amounts due from group undertakings are unsecured, bear interest at LIBOR plus a margin 2012 1.5% and have no fixed date of repayment

7. Creditors: amounts falling due within one year

	2012 £	2011 £
Amounts owed to group undertakings	47,979	47,979
Other taxes and social security costs	37,751	27,631
Accruals and deferred income	-	340
	85,730	75,270

Amounts due to group undertakings are unsecured, interest free and have no fixed date of repayment

Notes to the financial statements

for the year ended 31 March 2012

8. Called up share capital

	2012 £	2011 £
<i>Authorised</i>		
3,500,000 (2011 3,500,000) ordinary shares of 1p each	35,000	35,000
75,184 (2011 75,184) ordinary shares of £6.651 each	500,049	500,049
	<u>535,049</u>	<u>535,049</u>
	2012 £	2011 £
<i>Allotted and fully paid</i>		
2,867,882 (2011 2,867,882) ordinary shares of 1p each	28,679	28,679
75,184 (2011 75,184) ordinary shares of £6.651 each	500,049	500,049
	<u>528,728</u>	<u>528,728</u>

9. Reserves

	Share premium account £	Profit and loss account £
At 1 April 2011	9,340,574	568,688
Profit for the financial year	-	29,772
At 31 March 2012	<u>9,340,574</u>	<u>598,460</u>

10. Reconciliation of movements in total shareholders' funds

	2012 £	2011 £
Profit for the financial year	29,772	26,346
Opening total shareholders' funds	10,437,990	10,411,644
Closing total shareholders' funds	<u>10,467,762</u>	<u>10,437,990</u>

Notes to the financial statements

for the year ended 31 March 2012

11. Related party transactions

As a 100% owned indirect subsidiary of Macquarie European Infrastructure Fund LP, the company has taken advantage of the exemption granted by FRS 8, "Related party disclosures", not to disclose transactions with related entities that are part of the group

12. Post balance sheet event

In July 2012 the directors began a process to transfer the assets of the company to its parent company Energy Power Resources Limited which will result in the company becoming dormant

13. Ultimate parent company

Energy Power Resources Limited is the immediate parent undertaking and Macquarie European Infrastructure Fund LP (an English limited partnership with its registered office at PO Box 60, Carinthia House, 9-12 The Grange, St Peter Port, Guernsey, GY1 4BF) is the ultimate parent undertaking

Energy Power Resources Limited is the holding company of the smallest group of undertakings for which group financial statements are drawn up and Macquarie European Infrastructure Fund LP is the holding company of the largest group of undertakings for which group financial statements are drawn up. Copies of the group financial statements may be obtained from the address above