

Sign & Return

REGISTERED NUMBER: 05733711 (England and Wales)

**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**  
**FOR**  
**NETWORK ECONOMY (UK) LIMITED**

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COMPANIES HOUSE

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**for the year ended 31 December 2011**

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**NETWORK ECONOMY (UK) LIMITED**

**COMPANY INFORMATION**  
**for the year ended 31 December 2011**

**DIRECTORS:** O Breidt  
S Doeblin  
C Neizert

**SECRETARY:** K Richter

**REGISTERED OFFICE:** White Hart House  
High Street  
Limpsfield  
Surrey  
RH8 0DT

**REGISTERED NUMBER:** 05733711 (England and Wales)

**AUDITORS:** De-Warrenne Waller & Co Limited  
White Hart House  
High Street  
Limpsfield  
Surrey  
RH8 0DT

**REPORT OF THE INDEPENDENT AUDITORS TO  
NETWORK ECONOMY (UK) LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages three to seven, together with the full financial statements of Network Economy (UK) Limited for the year ended 31 December 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

**Other information**

On 17 September 2012 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 31 December 2011 prepared under Section 396 of the Companies Act 2006, and our report included the following extract:

**"Going concern**

As described in the notes to the financial statements the company is dependent on the provision of loans from the group and external investors to fund the ongoing costs and overhead expenditure of the company. Whilst the directors have instituted measures to obtain additional financing this has not been completed and funding is required to maintain the viability of the company. This does create uncertainties over future trading and cash flows. This does represent a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern. Nevertheless the directors have a reasonable expectation that the company will obtain adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts."

J J Waller (Senior Statutory Auditor)  
for and on behalf of De-Warrenne Waller & Co Limited  
White Hart House  
High Street  
Limpsfield  
Surrey  
RH8 0DT

17 September 2012

**NETWORK ECONOMY (UK) LIMITED (REGISTERED NUMBER: 05733711)**

**ABBREVIATED BALANCE SHEET**  
**31 December 2011**

	Notes	31 12 11 £	£	31 12 10 £	£
<b>FIXED ASSETS</b>					
Investments	2		907,834		907,690
<b>CURRENT ASSETS</b>					
Debtors	3	3,538,991		1,972,515	
Cash at bank		16,809		75,260	
		<u>3,555,800</u>		<u>2,047,775</u>	
<b>CREDITORS</b>					
Amounts falling due within one year		<u>1,127,908</u>		<u>697,389</u>	
<b>NET CURRENT ASSETS</b>			<u>2,427,892</u>		<u>1,350,386</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,335,726</u>		<u>2,258,076</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year			<u>2,555,415</u>		<u>1,540,141</u>
<b>NET ASSETS</b>			<u><u>780,311</u></u>		<u><u>717,935</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	4		114		114
Share premium			775,886		775,886
Profit and loss account			<u>4,311</u>		<u>(58,065)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><u>780,311</u></u>		<u><u>717,935</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 17 September 2012 and were signed on its behalf by:

  
 O Breidt - Director

The notes form part of these abbreviated accounts

**NOTES TO THE ABBREVIATED ACCOUNTS**  
**for the year ended 31 December 2011**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention

**Preparation of consolidated financial statements**

The financial statements contain information about Network Economy (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

**Turnover**

Turnover represents net invoiced sales of services, excluding value added tax

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

**Investments**

Investments held as fixed assets are shown at cost less provision for impairment

**Going concern**

The company made a profit for the year of £62,376 (2010 £44,687) and has net assets of £780,311 (2010 £717,935).

Whilst the group has accumulated losses this was always anticipated as the group is going through the development stage. The group has a letter of support from group undertakings in place and is seeking external funding that will provide support to enable the company to meet its liabilities arising in the ordinary course of business as they fall due. Consequently the directors believe that the company has sufficient cash resources available to it in order to meet all its obligations as they fall due for a period of not less than twelve months from the date of approval of these financial statements and accordingly have adopted the going concern

These financial statements do not reflect the adjustments that would be necessary were the going concern basis of preparation not to be appropriate

**2 FIXED ASSET INVESTMENTS**

	Investments other than loans £
<b>COST</b>	
At 1 January 2011	907,690
Additions	144
	<hr/>
At 31 December 2011	907,834
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2011	907,834
	<hr/>
At 31 December 2010	907,690
	<hr/>

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
for the year ended 31 December 2011

2 FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following

**Subsidiaries**

**BWDC Limited**

Nature of business Waste treatment plant

	% holding	31 12 11	31 12 10
Class of shares		£	£
Ordinary	100.00		
Aggregate capital and reserves		428,526	486,408
Profit/(loss) for the year		<u>67,118</u>	<u>(103,657)</u>

**Biossence Limited**

Nature of business Waste treatment plant

	% holding	31 12 11	31.12 10
Class of shares		£	£
Ordinary	51 90		
Aggregate capital and reserves		704,577	542,070
Loss for the year		<u>(137,493)</u>	<u>(353,613)</u>

During 2011 Biossence Limited issued a further 99 ordinary shares reducing the company's investment from 55 14% to 51 9%

**AGRenewable Assets Limited**

Nature of business

	% holding	31 12 11
Class of shares		£
Ordinary	100 00	
Aggregate capital and reserves		<u>100</u>

**Biossence (Hooton Park) Limited**

Nature of business Waste treatment plant

	% holding	31 12 11	31 12 10
Class of shares		£	£
Ordinary	100 00		
Aggregate capital and reserves		379,577	383,160
Loss for the year		<u>(3,583)</u>	<u>(1,468)</u>

The shareholding in the subsidiary undertaking is an indirect holding through BWDC Limited

NOTES TO THE ABBREVIATED ACCOUNTS - continued  
for the year ended 31 December 2011

2 FIXED ASSET INVESTMENTS - continued

**Biossence Asset Management Limited**

Nature of business Investment in waste to energy management

Class of shares	% holding	31.12.11	31 12 10
Ordinary	51 90	£	£
Aggregate capital and reserves		(50,913)	(17,222)
(Loss)/profit for the year		<u>(33,691)</u>	<u>5,254</u>

The shareholding in the subsidiary undertaking is an indirect holding through Biossence Limited.

**Biossence Hooton Limited**

Nature of business Investment in waste management

Class of shares	% holding	31.12 11	31 12 10
Ordinary	51 90	£	£
Aggregate capital and reserves		(1,016,924)	(936,288)
(Loss)/profit for the year		<u>(80,636)</u>	<u>525,799</u>

The shareholding in the subsidiary undertaking is an indirect holding through Biossence Limited

**Biossence Hooton Facilities Management Limited**

Nature of business Waste treatment plant

Class of shares	% holding	31 12 11	31 12 10
Ordinary	51 90	£	£
Aggregate capital and reserves		(1,166,994)	(800,327)
Loss for the year		<u>(366,667)</u>	<u>(365,880)</u>

The shareholding in the subsidiary undertaking is an indirect holding through Biossence Limited

**Biossence (Aylesford) Limited**

Nature of business Waste to energy management

Class of shares	% holding	31 12 11	31 12 10
Ordinary	51 90	£	£
Aggregate capital and reserves		(257)	(218)
Loss for the year		<u>(39)</u>	<u>(67)</u>

The shareholding in the subsidiary undertaking is an indirect holding through Biossence Limited



**NOTES TO THE ABBREVIATED ACCOUNTS - continued**  
for the year ended 31 December 2011

**2 FIXED ASSET INVESTMENTS - continued**

**Associated Company**

**AGRenewables Limited**

Nature of business Development of solar and renewable energy

	%
Class of shares	holding
Ordinary	44 00

**3 DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

The aggregate total of debtors falling due after more than one year is £2,779,550 (31.12 10 - £1,713,174)

**4 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid

Number	Class	Nominal value	31 12 11	31 12 10
			£	£
1,141	Ordinary	10p	114	114
			<u>114</u>	<u>114</u>

**5 ULTIMATE PARENT COMPANY**

The ultimate parent company is Network Economy AG, a company incorporated in Switzerland. Copies of the financial statements of the ultimate parent company may be obtained from c/o Franz Muller, v Fischer & Gukelberger, Casinoplatz 8, CH-3000 Bern 7, Switzerland. The group is not under the control of any one individual.

**6 RELATED PARTY DISCLOSURES**

The group interest received by the company relates to charges made to subsidiary undertakings, BWDC Limited of £58,991 (2010 £55,652) and Biossence Limited £71,829 (2010 £34,321). Other loan interest of £586,667 (2010 nil) relates to AGRenewables Limited, a company in which the directors have a material interest.

Included in the figure of interest payable and similar charges are amounts of loan interest payable to the parent undertaking of £40,506 (2010 £37,840).

Consultancy fees of £85,000 (2010 £90,000) were paid to a subsidiary undertaking BWDC Limited.

At 31 December 2011 an amount of £836 (2010 £836) was due from Network Economy SA, £159,498 (2010 £65,717) due from Biossence Limited and £92,291 (2010 £92,291) from Biossence Asset Management Limited.

Long term loans due to the company at 31 December 2011 amounted to £1,043,072 (2010 £983,181) from BWDC Limited and £790,121 (2010 £718,292) from Biossence Limited.

An amount of £271,001 (2010 £278,501) was due to BWDC Limited, an amount of £100 (2010 £nil) was due to AGRenewable Assets Limited and an amount of £1,429,687 (2010 £1,299,181) to the parent undertaking.

During the year the company advanced £1,335,556 (inclusive of interest) to AGRenewables Limited, a company in which the directors have a material interest. The balances of short term and loan term debt were outstanding at the year-end date.

An amount of £75,225, included in other debtors, was due to the company from the directors (2010 £75,225).