

# Financial Statements

## Agrivert Biogas Limited

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For the Year Ended 31 December 2016

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COMPANIES HOUSE

Registered number: 06657846

## Company Information

|                            |                                                                                                                                                               |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Directors</b>           | R B A Maddan<br>P J Earl<br>H G Waters                                                                                                                        |
| <b>Company secretary</b>   | P J Earl                                                                                                                                                      |
| <b>Registered number</b>   | 06657846                                                                                                                                                      |
| <b>Registered office</b>   | The Stables<br>Radford<br>CHIPPING NORTON<br>Oxfordshire<br>OX7 4EB                                                                                           |
| <b>Independent auditor</b> | Grant Thornton UK LLP<br>Chartered Accountants & Statutory Auditor<br>3140 Rowan Place<br>John Smith Drive<br>Oxford Business Park South<br>OXFORD<br>OX4 2WB |

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## **Directors' Report**

**For the Year Ended 31 December 2016**

The Directors present their report and the financial statements for the year ended 31 December 2016.

### **Principal activity**

The principal activity of the Company is that of a holding company. The Company also holds certain contracts for waste processing by group companies.

### **Results**

The loss for the year, after taxation, amounted to £1,537,150 (2015: profit £1,958,692).

### **Directors**

The Directors who served during the year were:

R B A Maddan  
P J Earl  
H G Waters

### **Directors' responsibilities statement**

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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 (continued)**

**For the Year Ended 31 December 2016**

### **Disclosure of information to auditor**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so 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 ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### **Small Companies Note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 14 June 2017 and signed on its behalf.



**P J Earl**  
Director

## Independent Auditor's Report to the Members of Agrivert Biogas Limited

We have audited the financial statements of Agrivert Biogas Limited for the year ended 31 December 2016, which comprise the Statement of Income and Retained Earnings, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 on page 1, 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](http://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 31 December 2016 and of its loss 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.



## Independent Auditor's Report to the Members of Agrivert Biogas Limited (continued)

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements; and
- the Directors' Report been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report under the Companies Act 2006**

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

### **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 in preparing the Directors' Report.

*Grant Thornton UK LLP*

Tracey James (Senior Statutory Auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Chartered Accountants  
Statutory Auditor  
Oxford  
Date:

*14 June 2017*

# Statement of Income and Retained Earnings

For the Year Ended 31 December 2016

|                                                              | Note | 2016<br>£                 | 2015<br>£               |
|--------------------------------------------------------------|------|---------------------------|-------------------------|
| Administrative expenses before depreciation and amortisation |      | (109,264)                 | (5,542)                 |
| <b>Operating loss before depreciation and amortisation</b>   |      | <b>(109,264)</b>          | <b>(5,542)</b>          |
| Depreciation of tangible assets                              |      | (4,269)                   | -                       |
| Total administrative expenses                                |      | (113,533)                 | (5,542)                 |
| Exceptional administrative expenses                          |      | -                         | (90,322)                |
| <b>Operating loss</b>                                        | 4    | <b>(113,533)</b>          | <b>(95,864)</b>         |
| Income from shares in group undertakings                     |      | -                         | 2,475,000               |
| Interest receivable and similar income                       | 6    | 2,382,985                 | 1,355,798               |
| Interest payable and expenses                                | 7    | (3,806,602)               | (1,776,242)             |
| <b>(Loss)/profit before tax</b>                              |      | <b>(1,537,150)</b>        | <b>1,958,692</b>        |
| <b>(Loss)/profit after tax</b>                               |      | <b><u>(1,537,150)</u></b> | <b><u>1,958,692</u></b> |
| Retained earnings at the beginning of the year               |      | 141,206                   | 557,514                 |
| (Loss)/profit for the year                                   |      | (1,537,150)               | 1,958,692               |
| Dividends declared and paid                                  |      | -                         | (2,375,000)             |
| <b>Retained earnings at the end of the year</b>              |      | <b><u>(1,395,944)</u></b> | <b><u>141,206</u></b>   |

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of income and retained earnings.

The notes on pages 7 to 17 form part of these financial statements.

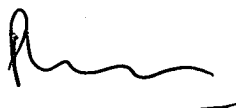
## Balance Sheet

As at 31 December 2016

|                                                         | Note | 2016<br>£          | 2015<br>£         |
|---------------------------------------------------------|------|--------------------|-------------------|
| <b>Fixed assets</b>                                     |      |                    |                   |
| Tangible assets                                         | 10   | 66,866             | -                 |
| Investments                                             | 11   | 12,125,140         | 12,125,140        |
|                                                         |      | <u>12,192,006</u>  | <u>12,125,140</u> |
| <b>Current assets</b>                                   |      |                    |                   |
| Stocks                                                  | 12   | 3,696              | -                 |
| Debtors                                                 | 13   | 60,962,726         | 35,178,013        |
| Current asset investments                               | 15   | 1,846,856          | 1,065,000         |
| Cash at bank and in hand                                | 14   | 1,103,548          | 5,714,555         |
|                                                         |      | <u>63,916,826</u>  | <u>41,957,568</u> |
| Creditors: amounts falling due within one year          | 16   | (4,568,847)        | (2,470,985)       |
| <b>Net current assets</b>                               |      | <u>59,347,979</u>  | <u>39,486,583</u> |
| <b>Total assets less current liabilities</b>            |      | <u>71,539,985</u>  | <u>51,611,723</u> |
| Creditors: amounts falling due after more than one year | 17   | (72,935,928)       | (51,470,516)      |
| <b>Net (liabilities)/assets</b>                         |      | <u>(1,395,943)</u> | <u>141,207</u>    |
| <b>Capital and reserves</b>                             |      |                    |                   |
| Called up share capital                                 |      | 1                  | 1                 |
| Profit and loss account                                 |      | (1,395,944)        | 141,206           |
|                                                         |      | <u>(1,395,943)</u> | <u>141,207</u>    |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



14 June 2017

**P J Earl**  
Director

The notes on pages 7 to 17 form part of these financial statements.

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## 1. General information

Agrivert Biogas Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is at The Stables, Radford, Chipping Norton, Oxfordshire, OX7 4EB.

Registration number 06657846.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (FRS 102) and the Companies Act 2006.

The members have agreed to the preparation of abridged accounts for this accounting period in accordance with Section 444(2A) of the Companies Act 2006.

The following principal accounting policies have been applied:

### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 6 Statements of Changes in Equity;
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Agrivert Holdings Limited as at 31 December 2016 and these financial statements may be obtained from Companies House.

### 2.3 Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the European Economic Area and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts. The information contained within these accounts represents the financial position and performance of the individual company only for the year ended 31 December 2016, and not that of the group.

### 2.4 Going concern

The financial statements are prepared on the going concern basis. In assessing whether the going concern assumption is appropriate, the directors have taken into account all the relevant available information about the future trading including profit and cash position of the group. The directors consider it appropriate to adopt the going concern basis of accounting in the preparation of the annual financial statements.

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## 2. Accounting policies (continued)

### 2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as outlined below.

Depreciation is provided on the following basis:

|                   |                               |
|-------------------|-------------------------------|
| Plant & machinery | - 2 - 20 years straight line. |
|-------------------|-------------------------------|

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

### 2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

### 2.7 Stocks

Stock represents consumables and spare parts, and is initially recorded at cost on a first-in first-out basis, with due allowance made for obsolete items, such that the carrying value is the lower of cost and net realisable value.

### 2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## **2. Accounting policies (continued)**

### **2.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Cash holdings in bank accounts under the control of the debt provider and not accessible to the Company in less than three months are recognised as other financial assets.

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## **2. Accounting policies (continued)**

### **2.10 Financial instruments**

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured initially at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### **2.11 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### **2.12 Finance costs**

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### **2.13 Dividends**

Equity dividends are recognised when they become legally payable.

### **2.14 Interest income**

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## 2. Accounting policies (continued)

### 2.15 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

### 2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except where attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity. Such tax is recognised in other comprehensive income or directly in equity as appropriate.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 2.17 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in the Statement of Income and Retained Earnings, when, and if, better information is obtained.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment with the next financial year are included below.

Critical judgments that management have made in the process of applying accounting policies disclosed here and that have a significant effect on the amounts recognised in the financial statements relate to the following:

### Useful lives of depreciable assets

Management review its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

## 4. Operating profit/ (loss)

The operating profit/(loss) is stated after charging:

|                                                                                                                     | 2016           | 2015           |
|---------------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                                     | £              | £              |
| Depreciation of tangible fixed assets                                                                               | 4,269          | -              |
| Amortisation of loan issue costs                                                                                    | 411,171        | 192,714        |
| Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements | 23,800         | 6,000          |
|                                                                                                                     | <u>439,240</u> | <u>198,714</u> |

## 5. Employees

During the year, no directors received any emoluments (2015: £Nil). Directors are remunerated through Agrivert Limited.

The average monthly number of employees, excluding directors, during the year was Nil (2015: Nil)

## 6. Interest receivable

|                                          | 2016             | 2015             |
|------------------------------------------|------------------|------------------|
|                                          | £                | £                |
| Interest receivable from group companies | 2,382,985        | 1,355,798        |
|                                          | <u>2,382,985</u> | <u>1,355,798</u> |

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## 7. Interest payable and similar expenses

|                               | 2016<br>£        | As restated<br>2015<br>£ |
|-------------------------------|------------------|--------------------------|
| Other loan interest payable   | 411,171          | 192,714                  |
| Loans from group undertakings | 480,010          | 334,868                  |
| Loan interest payable         | 2,915,421        | 1,248,660                |
|                               | <u>3,806,602</u> | <u>1,776,242</u>         |

## 8. Dividends paid

|           | 2016<br>£ | 2015<br>£        |
|-----------|-----------|------------------|
| Dividends | -         | 2,375,000        |
|           | <u>-</u>  | <u>2,375,000</u> |

## 9. Exceptional items

|                   | 2016<br>£ | 2015<br>£     |
|-------------------|-----------|---------------|
| Refinancing costs | -         | 90,322        |
|                   | <u>-</u>  | <u>90,322</u> |

## 10. Tangible fixed assets

|                          | Plant &<br>machinery<br>£ |
|--------------------------|---------------------------|
| <b>Cost or valuation</b> |                           |
| Additions                | 71,135                    |
| At 31 December 2016      | <u>71,135</u>             |
| <b>Depreciation</b>      |                           |
| Charge for the period    | 4,269                     |
| At 31 December 2016      | <u>4,269</u>              |
| <b>Net book value</b>    |                           |
| At 31 December 2016      | <u>66,866</u>             |
| At 31 December 2015      | <u>-</u>                  |

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## 11. Fixed asset investments

Investments  
in subsidiary  
companies  
£

### Cost or valuation

At 1 January 2016 and 31 December 2016

12,125,140

### Net book value

At 31 December 2015 and 31 December 2016

12,125,140

### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name                            | Class of shares | Holding | Principal activity                    |
|---------------------------------|-----------------|---------|---------------------------------------|
| Agrivert Oxfordshire Limited    | Ordinary        | 100 %   | Dormant                               |
| Agrivert (Wallingford) Limited  | Ordinary        | 100 %   | Waste processing and renewable energy |
| Agrivert (RBWM) Limited         | Ordinary        | 100 %   | Waste processing                      |
| Agrivert (CW) Limited           | Ordinary        | 100 %   | Waste processing                      |
| Agrivert (West London) Limited  | Ordinary        | 100 %   | Waste processing and renewable energy |
| Agrivert (Cassington) Limited   | Ordinary        | 100 %   | Waste processing and renewable energy |
| Agrivert (South Wales) Limited  | Ordinary        | 100 %   | Waste processing and renewable energy |
| Agrivert (North London) Limited | Ordinary        | 100 %   | Waste processing and renewable energy |

All of the above are incorporated in England and Wales.

## 12. Stocks

|             | 2016<br>£ | 2015<br>£ |
|-------------|-----------|-----------|
| Consumables | 3,696     | -         |

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## 13. Debtors

|                                     | 2016<br>£         | 2015<br>£         |
|-------------------------------------|-------------------|-------------------|
| <b>Due after more than one year</b> |                   |                   |
| Amounts owed by group undertakings  | <u>60,731,220</u> | <u>33,688,529</u> |

|                                    | 2016<br>£      | 2015<br>£        |
|------------------------------------|----------------|------------------|
| <b>Due within one year</b>         |                |                  |
| Trade debtors                      | 171,792        | 295,890          |
| Amounts owed by group undertakings | -              | 1,186,958        |
| Other debtors                      | -              | 6,635            |
| Prepayments and accrued income     | 59,714         | -                |
|                                    | <u>231,506</u> | <u>1,489,483</u> |

## 14. Cash and cash equivalents

|                          | 2016<br>£        | 2015<br>£        |
|--------------------------|------------------|------------------|
| Cash at bank and in hand | <u>1,103,548</u> | <u>5,714,555</u> |

## 15. Other financial assets

|                                                          | 2016<br>£        | 2015<br>£        |
|----------------------------------------------------------|------------------|------------------|
| Other financial assets falling due in more than one year | <u>1,846,856</u> | <u>1,065,000</u> |

Other financial assets falling due in more than one year comprise the Debt Service Reserve of £1,846,856 (2015: £1,065,000).

The Debt Service Reserve is cash holdings in bank accounts under the control of the debt provider and not accessible by the Company in less than three months.

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## 16. Creditors: Amounts falling due within one year

|                                    | 2016<br>£        | 2015<br>£        |
|------------------------------------|------------------|------------------|
| Other loans                        | 888,829          | -                |
| Trade creditors                    | 10,385           | 13               |
| Amounts owed to group undertakings | 2,881,485        | 1,371,511        |
| Other creditors                    | 59,498           | -                |
| Accruals and deferred income       | 728,650          | 1,099,461        |
|                                    | <u>4,568,847</u> | <u>2,470,985</u> |

## 17. Creditors: Amounts falling due after more than one year

|                                    | 2016<br>£         | 2015<br>£         |
|------------------------------------|-------------------|-------------------|
| Other loans                        | 59,447,375        | 41,265,045        |
| Amounts owed to group undertakings | 13,488,553        | 10,205,471        |
|                                    | <u>72,935,928</u> | <u>51,470,516</u> |

### Secured loans

The Company has borrowings of £61,805,446 (2015: £43,145,457) relating to a 17-year term loan facility of £62.5m with GCP Biomass 5 Limited, due for repayment by November 2032. This is separated into three separate facilities, with £36,600,000 subject to interest charges at 7.95% per annum for the first three years, rising to 8.10% for years 4 and 5, and rising again to 8.25% after 5 years. The remaining two facilities, comprising the remaining balance, are subject to interest charges at 8.25%.

The Company's loan balance is presented above net of capitalised loan finance costs of £1,469,242 (2015: £1,880,412); and accrued interest rolled up of £1,534,284 (2015: 45,456).

# Notes to the Financial Statements

For the Year Ended 31 December 2016

## 18. Loans

Analysis of the maturity of loans is given below:

|                                                    | 2016<br>£  | 2015<br>£  |
|----------------------------------------------------|------------|------------|
| <b>Amounts falling due within one year</b>         |            |            |
| Other loans                                        | 888,829    | -          |
|                                                    |            |            |
|                                                    | 2016<br>£  | 2015<br>£  |
| <b>Amounts falling due after more than 5 years</b> |            |            |
| Other loans                                        | 59,447,375 | 41,265,045 |

## 19. Contingent liabilities

Agrivert Biogas Limited has borrowings of £61,805,446 (2015: £43,145,457) as at 31 December 2016 relating to a 17- year term loan with GCP Biomass 5 Limited, due for repayment by November 2032. This loan is secured by a fixed and floating charge over all of the property or undertaking of the Company.

The Company is party to a cross guarantee in respect of any liabilities to SITA South Gloucestershire Limited of Agrivert Limited which arise under the terms of the contract.

## 20. Related party transactions

There are no related party transactions which are required to be disclosed under FRS 102 section 33.1A.

## 21. Ultimate parent undertaking and controlling party

The Directors consider that Agrivert Limited is the Company's immediate parent undertaking for the current and previous financial year. The ultimate parent company is Agrivert Holdings Limited, for which consolidated accounts are publically available.

Agrivert Holdings Limited is incorporated in England and Wales. Its registered head office is at The Stables, Radford, Chipping Norton, Oxfordshire, OX7 4EB.

The Directors consider the ultimate controlling party is Highland Trust through its 100% ownership of Green Renewable Energy Limited which owns 58% of Agrivert Holdings Limited.