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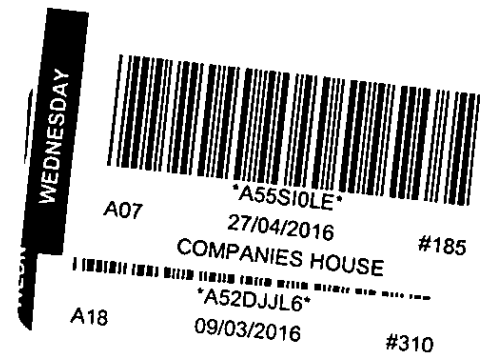
**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**



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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**                      C R Barr MBE  
   R A Barr MBE  
   M S Hobbs  
   G M West

**COMPANY SECRETARY**                      M S Hobbs

**REGISTERED NUMBER**                      06779482

**REGISTERED OFFICE**                      Shaldon Road  
   Newton Abbot  
   Devon  
   TQ12 4SQ

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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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## **CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

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The directors present their report and the financial statements for the year ended 31 December 2015

#### **PRINCIPAL ACTIVITY**

The principal activity of the company during the year was the sale and installation of power generation equipment to Bulgaria

The directors consider the results to be acceptable and in line with expectations. The company has not disclosed its principal business risks as they are the same as Centrax Limited and are fully disclosed in its accounts. The company continues to review its Transfer Pricing Policy to ensure that it remains relevant to its business activities.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £167 (2014 £174)

During the year the company paid dividends of £Nil (2014 £Nil). The directors do not recommend the payment of a further dividend in respect of the year.

#### **DIRECTORS**

The directors who served during the year were

C R Barr MBE  
R A Barr MBE  
M S Hobbs  
G M West

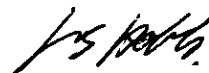
#### **FUTURE DEVELOPMENTS**

The future development of the company is expected to be in its current core business which has opportunities for growth in the immediate future in the sale and installation of gas turbine electrical generators.

#### **POST BALANCE SHEET EVENTS**

There have been no significant events affecting the company since the year end.

This report was approved by the board on 28 January 2016 and signed on its behalf



**M S Hobbs**  
Secretary

Shaldon Road  
Newton Abbot  
Devon  
TQ12 4SQ

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## **CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015**

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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 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 judgments 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, 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 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.

**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	2014 £
Turnover	3	<b>39,054</b>	12,979
Cost of sales		<b>(38,965)</b>	(12,819)
<b>Gross profit</b>		<b>89</b>	160
Administrative expenses		<b>(77)</b>	(139)
<b>Operating profit</b>		<b>12</b>	21
Interest receivable and similar income	6	<b>196</b>	196
<b>Profit on ordinary activities before taxation</b>		<b>208</b>	217
Taxation on profit/(loss) on ordinary activities	7	<b>(41)</b>	(43)
<b>Profit for the financial year</b>		<b>167</b>	174
<b>Total comprehensive income for the year</b>		<b>167</b>	174

There were no recognised gains and losses for 2015 other than those included in the income statement

The notes on pages 7 to 15 form part of these financial statements

**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**  
**REGISTERED NUMBER 06779482**

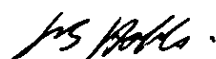
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>Current assets</b>			
Debtors Amounts falling due within one year	8	6,000	1,201
Cash at bank and in hand	9	77,997	78,662
		<u>83,997</u>	<u>79,863</u>
Creditors Amounts falling due within one year	10	(85,291)	(81,324)
		<u>(1,294)</u>	<u>(1,461)</u>
<b>Net current assets</b>		<u>(1,294)</u>	<u>(1,461)</u>
<b>Total assets less current liabilities</b>		<u>(1,294)</u>	<u>(1,461)</u>
<b>Net assets</b>		<u><u>(1,294)</u></u>	<u><u>(1,461)</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	10,000	10,000
Profit and loss account		(11,294)	(11,461)
		<u><u>(1,294)</u></u>	<u><u>(1,461)</u></u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 January 2016



**M S Hobbs**  
Director

The notes on pages 7 to 15 form part of these financial statements

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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
AS AT 31 DECEMBER 2015**

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	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
At 1 January 2015	10,000	(11,461)	(1,461)
<b>Comprehensive income for the year</b>			
Profit for the year	-	167	167
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	-	167	167
	<hr/>	<hr/>	<hr/>
<b>At 31 December 2015</b>	<b>10,000</b>	<b>(11,294)</b>	<b>(1,294)</b>
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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
AS AT 31 DECEMBER 2014**

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	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	10,000	(11,635)	(1,635)
<b>Comprehensive income for the year</b>			
Profit for the year	-	174	174
	-	174	174
<b>Total comprehensive income for the year</b>			
<b>At 31 December 2014</b>	<b>10,000</b>	<b>(11,461)</b>	<b>(1,461)</b>

The notes on pages 7 to 15 form part of these financial statements

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## CENTRAX POWER PROJECTS (BULGARIA) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006

Information on the impact first-time adoption of FRS 102 is given in note 17

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2)

The following principal accounting policies have been applied

##### 1.2 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised

###### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied

- the company has transferred the significant risks and rewards of ownership to the buyer,
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold,
- the amount of revenue can be measured reliably,
- it is probable that the company will receive the consideration due under the transaction, and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

##### 1.3 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

##### 1.4 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

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## CENTRAX POWER PROJECTS (BULGARIA) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.5 FINANCIAL INSTRUMENTS

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares

Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments 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 outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

##### 1.6 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.

##### 1.7 INTEREST INCOME

Interest income is recognised in the Income Statement using the effective interest method.

##### 1.8 TAXATION

Tax is recognised in the Income Statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The company has applied judgement in applying accounting policies and key sources of estimation uncertainty in the following areas -

**Recoverability of assets**

The company assumes that all amounts owing from customers will be recovered in full. Where uncertainty exists as to the recovery a provision has been made for the anticipated unrecoverable amount.

**3. ANALYSIS OF TURNOVER**

Analysis of turnover by country of destination

	2015 £	2014 £
United Kingdom	39,054	12,979
	<u>39,054</u>	<u>12,979</u>

**4. OPERATING PROFIT**

During the year, no director received any emoluments (2014 £Nil)

**5. EMPLOYEES**

The average monthly number of employees, including the directors, during the year was as follows

	2015 No.	2014 No.
Directors	4	4
	<u>4</u>	<u>4</u>

**6. INTEREST RECEIVABLE**

	2015 £	2014 £
Other interest receivable	196	196
	<u>196</u>	<u>196</u>

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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**7. TAXATION**

	2015 £	2014 £
<b>Corporation tax</b>		
Current tax on profits for the year	41	43
<b>Total current tax</b>	<u>41</u>	<u>43</u>

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is the same as (2014 the same as) the standard rate of corporation tax in the UK of 20% (2014 20%) as set out below

	2015 £	2014 £
Profit on ordinary activities before tax	208	217
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 20%)	41	43
<b>Effects of:</b>		
<b>Total tax charge for the year</b>	<u>41</u>	<u>43</u>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

The Finance Act 2015 substantially enacted a reduction in the rate of UK corporation tax to 19% with effect from 31 March 2017 and 18% from 31 March 2020

All deferred tax provisions have been provided at 18%

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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**8. DEBTORS**

	2015 £	2014 £
<b>Due within one year</b>		
Trade debtors	6,000	1,201
	<u>6,000</u>	<u>1,201</u>

**9 CASH AND CASH EQUIVALENTS**

	2015 £	2014 £
Cash at bank and in hand	77,997	78,662
	<u>77,997</u>	<u>78,662</u>

**10 CREDITORS: Amounts falling due within one year**

	2015 £	2014 £
Amounts owed to group undertakings	18,750	14,781
Corporation tax	41	43
Accruals and deferred income	66,500	66,500
	<u>85,291</u>	<u>81,324</u>

All bank borrowings are secured by a debenture over the assets of the company, and by cross guarantee with all companies registered in England and Wales within the Centrax Holdings Limited group

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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**11. FINANCIAL INSTRUMENTS**

	2015 £	2014 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	6,000	1,201
	<u>6,000</u>	<u>1,201</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(18,750)	(14,781)
	<u>(18,750)</u>	<u>(14,781)</u>

Financial assets measured at amortised cost comprise amounts due from customers and other debtors including amounts due from other group companies

Financial liabilities measured at amortised cost comprise amounts due to third parties or costs accrued for including amounts due to other group companies

**12. RESERVES**

**Profit and loss account**

Profit and loss account is the cumulative surplus (or deficit) from the operations of the company, after taxation, available for distribution to the shareholders

**13. SHARE CAPITAL**

	2015 £	2014 £
<b>Allotted, called up and partly paid</b>		
1,000,000 Ordinary shares of £1 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

**14. OTHER FINANCIAL COMMITMENTS**

The bank borrowing of the ultimate parent undertaking, Centrax Holdings Limited and its subsidiaries (registered in England and Wales), is covered by cross guarantee and debenture. The company was exposed to a liability under this arrangement at 31 December 2015 of £5,524,385 (2014 £5,273,083)

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## CENTRAX POWER PROJECTS (BULGARIA) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption permitted under FRS102 33 1A not to disclose transactions with other group companies on the grounds that the company and all other related parties are wholly owned subsidiaries of Centrax Holdings Limited

The related parties of the company are -

The key management personnel of the company

Entities with control, joint control or significant influence over the company

Centrax Holdings Limited

Centrax Industries Limited

Centrax Limited

Centrax Power Projects (Holdings) Limited

Entities over which the company has control, joint control or significant interest

None

Other related parties

Centrax Engineering Limited

Reblim Limited

Centrax Turbine Components Limited

Centrax Engineering Services Limited

Centrax Production Services Limited

Centrax Power Projects Limited

Centrax Power Projects (France) Limited

Centrax Power Projects (Czech Rep) Limited

Centrax Power Projects (Germany) Limited

Centrax Power Projects (Hungary) Limited

Centrax Power Projects (International) Limited

Centrax Power Projects (Italy) Limited

Centrax Power Projects (Libya) Limited

Centrax Power Projects (Netherlands) Limited

Centrax Power Projects (Poland) Limited

Centrax Power Projects (Portugal) Limited

Centrax Power Projects (Romania) Limited

Centrax Power Projects (Russia) Limited

Centrax Power Projects (Slovenia) Limited

Centrax Power Projects (Spare 1) Limited

Centrax Power Projects (Tunisia) Limited

Centrax Energy Limited

Centrax Energy (Bulgaria) Limited

Centrax Gas Turbines Limited

Centrax Services India Limited

Turbothermic Limited

Centrax International Limited

Turbine Holdings Netherlands BV

Turbine Holdings Netherlands 2 BV

Centrax Polska SP z o o

Centraxport - manutencao de turbinas de gas unipessoal Lda

Centrax Gas Turbines Rus

Centrax Gas Turbines Ireland Limited

Centrax Gas Turbines India Private Limited

Centrax Turbines a Gaz Tunisie

Centrax Bahrain WLL

Asry Centrax Bahrain WLL - Joint Venture

Technicam Limited - Joint Venture



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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**16. CONTROLLING PARTY**

The directors consider that the ultimate parent undertaking is Centrax Holdings Limited, a company registered in England and Wales. The largest group of undertakings for which group financial statements have been drawn up is that headed by Centrax Holdings Limited. The smallest group of undertakings for which group accounts have been drawn up is that headed by Centrax Limited. Copies of both group accounts can be obtained publicly at Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ.

The directors do not consider there to be an individual controlling party.

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**CENTRAX POWER PROJECTS (BULGARIA) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**17. FIRST TIME ADOPTION OF FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss