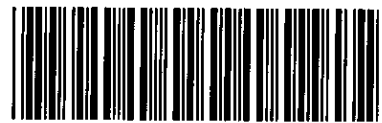


Waste to Energy (GP) Limited
Unaudited Financial Statements
30 September 2016

WEDNESDAY



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COMPANIES HOUSE

THOMPSON TARAZ LLP

Chartered accountant

47 Park Lane

Mayfair

London

W1K 1PR

15/5/17 '54 65

Waste to Energy (GP) Limited

Financial Statements

Year ended 30 September 2016

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Waste to Energy (GP) Limited

Directors' Report

Year ended 30 September 2016

The directors present their report and the unaudited financial statements of the company for the year ended 30 September 2016.

Directors

The directors who served the company during the year were as follows:

A Taraz
MJ Chicken
MM Heffernan
KD Gray

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 10 May 2017 and signed on behalf of the board by:



Property Secretaries Limited
Company Secretary

Registered office:
47 Park Lane
Mayfair
London
W1K 1PR

Waste to Energy (GP) Limited

Statement of Financial Position

30 September 2016

	Note	2016 £	£	2015 £
Fixed assets				
Investments	4		1	1
Current assets				
Debtors	5	2,299		2,299
Cash at bank and in hand		2		2
		<u>2,301</u>		<u>2,301</u>
Creditors: amounts falling due within one year	6	<u>464</u>		<u>464</u>
Net current assets			<u>1,837</u>	<u>1,837</u>
Total assets less current liabilities			<u>1,838</u>	<u>1,838</u>
Net assets			<u>1,838</u>	<u>1,838</u>
Capital and reserves				
Called up share capital	7		2	2
Profit and loss account	8		<u>1,836</u>	<u>1,836</u>
Members funds			<u>1,838</u>	<u>1,838</u>

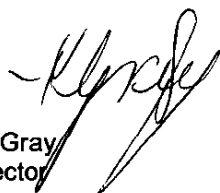
For the year ending 30 September 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 10 May 2017, and are signed on behalf of the board by:


KD Gray
Director

Company registration number: 06914227

The notes on pages 3 to 5 form part of these financial statements.

Waste to Energy (GP) Limited

Notes to the Financial Statements

Year ended 30 September 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 47 Park Lane, Mayfair, London, W1K 1PR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 October 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 10.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Waste to Energy (GP) Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

3. Accounting policies *(continued)*

Investments in joint ventures *(continued)*

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

4. Investments

	Other investments other than loans £
Cost	
At 1 October 2015 and 30 September 2016	<u>1</u>
Impairment	
At 1 October 2015 and 30 September 2016	<u>-</u>
Carrying amount	
At 30 September 2016	<u>1</u>

The investment represents a capital contribution to the Waste to Energy Partnership 1 LP.

5. Debtors

	2016 £	2015 £
Other debtors	<u>2,299</u>	<u>2,299</u>

6. Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors	<u>464</u>	<u>464</u>

Waste to Energy (GP) Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

7. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

8. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

9. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

The company is controlled by M J Chicken and A Taraz.

10. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 October 2014.

No transitional adjustments were required in equity or profit or loss for the year.

REGISTRATION NUMBER LP13791

WASTE TO ENERGY PARTNERSHIP 1
FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2016

THESE PARTNERSHIP
ACCOUNTS FOR THE
YEAR ENDED 5 APRIL 2016
OF COMPANY
NO. 06914227

THESE PARTNERSHIP
ACCOUNTS FOR THE
PART OF THE YEAR
OF COMPANY
NO. 06914227

COMPANIES HOUSE

WASTE TO ENERGY PARTNERSHIP 1
FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2016

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WASTE TO ENERGY PARTNERSHIP 1
OPERATOR AND PROFESSIONAL ADVISERS

Operator of Partnership

Thompson Taraz Managers Limited
47 Park Lane
Mayfair
London
W1K 1PR

General Partner

Waste to Energy (GP) Limited
47 Park Lane
Mayfair
London
W1K 1PR

Solicitors to the Partnership

CMS Cameron McKenna LLP
Mitre House
160 Aldersgate Street
London
EC1A 4DD

Independent Auditors

BDO LLP
55 Baker Street
London
W1U 7EU

Climate Finance Limited
13 David Mews
Porter Street
London
W1U 6EQ

Bankers

HSBC
133 Regent Street
London
W1B 4HX

WASTE TO ENERGY PARTNERSHIP 1

GENERAL PARTNER'S REPORT

YEAR ENDED 5 APRIL 2016

The General Partner has pleasure in presenting its report on the operations of the Partnership for the year ended 5 April 2016 together with the financial statements.

PRINCIPAL ACTIVITIES, REVIEW AND FUTURE DEVELOPMENTS

The principal purpose of this Fund is to invest in

(a) the development phase of the waste to energy plant at Kleszczow, Bogumilow Industrial Zone in Poland ("the Principal Project") and

(b) the seed funding in up to two further waste to energy plants in Poland ("the Additional Projects")

The Partnership owns shares in a UK holding company, Waste to Energy Company (Keszczow) Limited ("WTE"), that holds the interest of both the Principal and Additional Projects via a special purpose Polish structure.

The intention, as referred to in the information memorandum, was to hold the investment for a minimum of 5 years after which if the investors wish, to consider a sale of the Principal project after year 5. The General Partner considers that notwithstanding the lack of progress in the full development of the project it is now appropriate to seek as exit for Limited Partners.

Although many options have been considered over the years by the directors of WTE, no proposal for the site has been forthcoming that has proven to be bankable. A more recent proposal involving a Daewoo consortium proved to be so expensive that the remaining returns were too low and hence not practical either to get banking or for a residual return to investors. The directors of WTE have previously advised investors of being unhappy with the working relationship with the JV Polish partners and their attempts to keep any further cash spend to a minimum.

The Polish shareholders made an in principle offer at the end of September 2016 to buy the 56% shareholding of WTE in Eko-Region Kleszczow sp. z o.o. ("ERK") a property development company incorporated in Poland, corresponding to the value of outstanding Loans Notes plus rolled up interest in the accounts of ERK at the date of completion. WTE agreed to allow a limited time to 31 December 2016 for a cash purchase of the shares, which would have permitted a full exit for investors in the Partnership, however, that has failed to materialise.

WTE are seeking alternative ways of selling the 56% shareholding or progressing a sale of the entire project, however the relationship with the JV partners has become more strained again, possibly as they see the end of the ability to demand more cash. Nevertheless WTE is determined to resolve matters for the benefit of the investors be it that they are needing to engage with lawyers more than they had hoped to. The directors of WTE and the General Partner of the Partnership have therefore decided to recognise a provision in these financial statements to reflect the economic reality that not all of the investment made by the Partnership to date may be ultimately recovered.

The principal risk and uncertainties facing the Partnership are set out in the Information Memorandum. These are not reproduced here, as this report is prepared in accordance with the special provisions for small entities in accordance with Generally Accepted Accounting Practice in the United Kingdom.

WASTE TO ENERGY PARTNERSHIP 1

GENERAL PARTNER'S REPORT

YEAR ENDED 5 APRIL 2016

CONSTITUTION AND GOVERNANCE

The Partnership is a limited partnership, initially registered on 22 February 2010, which entered into a Limited Partnership Agreement on 19 February 2010 ("the Partnership Agreement") and is registered under the Limited Partnership Act 1907. *The initial term of the Partnership is for 20 years.*

The Registered Office of the General Partner and the principal place of business of the Partnership is 47 Park Lane, Mayfair, London, W1K 1PR.

The Operator of the Partnership is Thompson Taraz Managers Limited.

RESULTS AND DISTRIBUTIONS

The Partnership's loss for the year was £6,014,117.

THE PARTNERS

The General Partner is Waste to Energy (GP) Limited. The Limited Partner's contributions are as set out in the Limited Partners Contributions and Income Accounts note. Each limited partner's contribution in the Partnership is made up of a Capital Contribution and a Loan Contribution.

GENERAL PARTNER'S RESPONSIBILITIES

The General Partner is responsible for preparing the General Partners Report and the financial statements in accordance with applicable law and regulations.

The Partnership Agreement requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and applicable law. The General Partner 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 Partnership and the profit and loss of the Partnership for that period.

In preparing these financial statements, the General Partner is 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Partnership will continue in business.

WASTE TO ENERGY PARTNERSHIP 1

GENERAL PARTNER'S REPORT

YEAR ENDED 5 APRIL 2016

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnerships transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Partnerships (Accounts) Regulation 2008. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITORS

The partnership is entitled to claim exemption from audit in accordance with the provisions applicable to small companies (on the basis that the partnership would have qualified as a small company had it been incorporated under the Companies Act). However the partnership has elected not to take advantage of this exemption as an audit is required by the terms of the Limited Partnership Agreement. The General Partner is therefore required to make the following statement:

The General Partners has taken all the steps that it ought to have taken to make itself aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The General Partner is not aware of any relevant audit information of which the auditors are unaware.

AUDITORS

BDO LLP were re-appointed during the year and have expressed a willingness to continue in office.

SMALL ENTITY PROVISIONS

This report has been prepared in accordance with the provisions applicable to entities entitled to the small entity exemptions.



Director

For and on behalf of Waste to Energy (GP) Limited
20 December 2016

WASTE TO ENERGY PARTNERSHIP 1
INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF WASTE
TO ENERGY PARTNERSHIP 1
YEAR ENDED 5 APRIL 2016

We have audited the financial statements of Waste to Energy Partnership 1 for the year ended 5 April 2016 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 the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the limited partnership's members, as a body, in accordance with the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the limited partnership'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 partnership and the partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF MEMBERS AND AUDITORS

As explained more fully in the statement of members' responsibilities, the members 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 Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

WASTE TO ENERGY PARTNERSHIP 1

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF WASTE TO ENERGY PARTNERSHIP 1

YEAR ENDED 5 APRIL 2016

BASIS FOR QUALIFIED OPINION ON FINANCIAL STATEMENTS

With respect to fixed asset investments with a carrying value of £3,221,857 (note 7), the General Partner has assessed the recoverable amount and determined it to be less than the carrying value, and as such has written down the fixed asset investment. However the basis of the recoverable amount assessment is not sufficient to enable us to conclude the revised carrying value is not materially misstated. In the prior year, our opinion was qualified because no recoverable amount assessment was performed.

QUALIFIED OPINION ON FINANCIAL STATEMENTS

In our opinion, except for the possible effects of matters described in the Basis for qualified opinion paragraph above, the financial statements:

- give a true and fair view of the state of the Partnership's affairs as at 5 April 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities; and
- have been prepared in accordance with the requirements of 'The Partnership (Accounts) Regulations 2008'

OPINION ON OTHER MATTERS

In our opinion the information given in the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

EMPHASIS OF MATTER - GOING CONCERN

In forming our opinion on the financial statements we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the Partnership's ability to continue as a going concern. The partnership is reliant on the full or part sale of Eko-Region Kleszczow sp. z o.o to provide funding for continued operations. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Partnership's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Partnership was unable to continue as a going concern. Our opinion is not modified in respect of this matter.

WASTE TO ENERGY PARTNERSHIP 1

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF WASTE TO ENERGY PARTNERSHIP 1

YEAR ENDED 5 APRIL 2016

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 as applied to limited partnerships 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;
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to prepare the financial statements and the General Partner's report in accordance with the small entities regime.

BDO LLP

Geraint Jones (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

20 December 2016
.....

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

WASTE TO ENERGY PARTNERSHIP 1

PROFIT AND LOSS STATEMENT

YEAR ENDED 5 APRIL 2016

	Note	2016 £	2015 £
Other operating charges		<u>(61,286)</u>	<u>(59,729)</u>
OPERATING LOSS	2	(61,286)	(59,729)
Impairment Provision	4	(5,989,690)	—
LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST		<u>(6,050,976)</u>	<u>(59,729)</u>
INTEREST RECEIVABLE	5	37,160	554,386
INTEREST PAYABLE AND SIMILAR CHARGES	6	(301)	(380)
PROFIT ON ORDINARY ACTIVITIES FOR THE FINANCIAL YEAR BEFORE AND AFTER TAXATION		<u>(6,014,117)</u>	<u>494,277</u>

All amounts relate to continuing activities.

There are no recognised gains or losses other than the loss for the period.

All recognised gains and losses in the year are included in the profit and loss account.

The notes on pages 10 - 14 form part of these financial statements.

WASTE TO ENERGY PARTNERSHIP 1

BALANCE SHEET

5 APRIL 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Investments	7	<u>3,221,859</u>	<u>9,211,549</u>
CURRENT ASSETS			
Debtors	8	442,251	366,628
Cash at bank		<u>5,561,629</u>	<u>5,653,527</u>
		6,003,880	6,020,155
CREDITORS: Amounts falling due within one year	9	<u>(137,773)</u>	<u>(129,621)</u>
NET CURRENT ASSETS		<u>5,866,107</u>	<u>5,890,534</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,087,966</u>	<u>15,102,083</u>
NET ASSETS		<u>9,087,966</u>	<u>15,102,083</u>
FUNDED BY:			
Partners' capital contribution account	12	18,083	18,083
Partners' loan contribution account	12	15,832,785	15,832,785
Partners' special loan contribution account	12	2	2
Partners' further special loan contribution account	12	1,998	1,998
Partners' current account	12	<u>(6,764,902)</u>	<u>(750,785)</u>
		<u>9,087,966</u>	<u>15,102,083</u>

These financial statements have been prepared in accordance with the special provisions for small entities and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the General Partner and authorised for issue on 20 December 2016.



Director

For and on behalf of Waste to Energy (GP) Limited
20 December 2016

Registration Number LP13791

The notes on pages 10 - 14 form part of these financial statements.

WASTE TO ENERGY PARTNERSHIP 1

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment property. The financial statements have been prepared on a going concern basis in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), The Partnerships (Accounts) Regulations 2008 and with the terms of the Partnership Agreement, which have been applied consistently.

Consolidated Financial Statements

The partnership is exempt from the requirement to prepare consolidated financial statements by virtue of UK generally accepted accounting practice (UK GAAP) as the group it heads qualifies as a 'small' group. These financial statements therefore present information about the partnership as an individual undertaking and not about its group.

Going Concern

As of the date of approval of these accounts, the directors of Waste to Energy Company (Keszczow) Limited ("WTE") are seeking alternative ways of selling the 56% shareholding in ERK or progressing a sale of the entire ERK company or project, however the relationship with the JV partners has become more strained again, possibly as they see the end of the ability to demand more cash. Nevertheless WTE is determined to resolve matters for the benefit of the investors be it that they are needing to engage with lawyers more than they had hoped to.

If WTE is unable to find a purchaser, the Partnership may be unable to realise its assets in the normal course of business. This indicates the existence of a material uncertainty which may cast significant doubt about the Partnership's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Partnership was unable to continue as a going concern.

Turnover

Turnover represents amounts invoiced during the year.

Investments

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

Issue costs

Issue costs with respect to partner's loans received are set off against the Partner's Loan Contribution balance.

WASTE TO ENERGY PARTNERSHIP 1

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2016

1. ACCOUNTING POLICIES *(continued)*

Taxation

The Partnership is carrying on the business of property investment and should have no tax liability in respect of income and gains distinct from that incurred by the partners. Income and gains generated by the Partnership are attributed to the partners for tax purposes pro rata to their investment as set out in the Partnership Agreement.

The taxable income is reduced by the deduction of the interest cost incurred on the loan used to purchase the property and by utilising capital allowances.

Distributions

The Partnership has a full distribution policy of all net positive cash flows to all partners after funding the Waste to Energy development, subject to a small cash provision being maintained to cover any administration or management costs.

2. OPERATING LOSS

Operating loss is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	<u>13,286</u>	<u>11,729</u>

3. PARTNER REMUNERATION AND EMPLOYEE INFORMATION

The partners received no remuneration from the Partnership. The Partnership does not have any employees.

4.

AMOUNTS WRITTEN OFF

During the year the profit and loss was charged with an amount of £5,989,690 that represented an impairment to the value of the Partnership's investment in Waste to Energy Company (Keszczow) Limited ("WTE"). The impairment is based on the directors' of WTE and the General Partner of the Partnership assessment that whilst some value will be realised from Polish assets, there exists considerable doubt about the amounts which can be realised as well as its timing.

WASTE TO ENERGY PARTNERSHIP 1

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2016

5. INTEREST RECEIVABLE

	2016 £	2015 £
Interest receivable	<u>37,160</u>	<u>554,386</u>
Bank interest	13,957	14,173
Interest receivable from Waste to Energy Unit Trust	23,203	18,805
Other interest	–	521,408
	<u>37,160</u>	<u>554,386</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £	2015 £
Bank charges	<u>301</u>	<u>380</u>

7. INVESTMENTS

	Investments £
COST	
At 6 April 2015	<u>2</u>
At 5 April 2016	<u>2</u>
LOANS	
At 6 April 2015	9,211,547
Impairment	(5,989,690)
At 5 April 2016	<u>3,221,857</u>

The Partnership owns 100% of Waste To Energy Company (Keszczow) Limited, a UK Company set up to acquire the interest in Polish Waste To Energy Plant Principal and Additional Projects. At 5 April 2016 cost represents 2 £1 ordinary shares and the balance represents the cost of acquiring these shares as well as the impairment provision recognised during the year.

The Partnership also indirectly owns 56.2% of the ordinary share capital of Eko-Region Kleszczow sp. z o.o, a property development company incorporated in Poland.

During the year, developments in Poland indicated an impairment in the carrying value of the investments which was charged to the profit and loss account in the current year.

WASTE TO ENERGY PARTNERSHIP 1
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2016

8. DEBTORS

	2016 £	2015 £
Trust debtor	439,764	361,961
Other debtors	2,487	4,667
	<u>442,251</u>	<u>366,628</u>

9. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	60,768	54,168
Accruals	77,005	75,453
	<u>137,773</u>	<u>129,621</u>

10. RELATED PARTY TRANSACTIONS

From 23 October 2015 Vistra Trust Corporation (UK) Limited (previously The Royal Bank of Canada Trust Corporation Limited) acts as Trustee for Waste to Energy Unit Trust and is a Limited Partner in the Partnership.

Interest, as disclosed in note 5, is charged at a rate of 6.0% (being the rate of interest charged on the UK Holding Company loan) on advances to the Trust.

11. DISTRIBUTION TO PARTNERS

As all surplus income will be applied to funding the Principal and Additional waste to energy plant projects by the UK Holding Company there will be no distribution to partners in respect of the current period. This is expected to be the case in every year until such time as the projects are sold. Distributions are at the discretion of the General Partner and it is therefore appropriate to classify these amounts as equity in accordance with FRS25.

Included in Note 12 are loan and capital contributions of £1,998 and £2 respectively in respect of Special Limited Partners. The Special Limited Partners will share a 50/50 performance fee on exit ("the Special Distribution"): 10% interest in any return that investors receive in excess of 20% p.a. increasing to 20% of any return in excess of 30% p.a. and to 30% of any return in excess of 40% p.a.

12. LIMITED PARTNERS CONTRIBUTIONS AND INCOME ACCOUNTS

	Loan Contribution £	Capital Contribution £	Net Income £	Capital Appreciation £
Balance brought forward	15,832,785	18,083	(750,785)	-
Loss for the year	-	-	(6,014,117)	-
	<u>15,832,785</u>	<u>18,083</u>	<u>(6,764,902)</u>	<u>-</u>

WASTE TO ENERGY PARTNERSHIP 1
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2016

SPECIAL CONTRIBUTIONS

	Special Loan Contribution	Further Special Loan Contribution £	Total £
Balance brought forward	<u>2</u>	<u>1,998</u>	<u>2,000</u>
	<u>2</u>	<u>1,998</u>	<u>2,000</u>