

Registered number: 07755223

# **INGENIOUS CLEAN ENERGY SERVICES LIMITED**

## **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2016**

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## **INGENIOUS CLEAN ENERGY SERVICES LIMITED**

### **COMPANY INFORMATION**

**Directors** N A Foster (appointed 30 August 2011)  
D M Reid (appointed 30 August 2011)  
S J Speight (appointed 30 August 2011)

**Company secretary** S Cruickshank  
J Wright

**Registered number** 07755223

**Registered office** 15 Golden Square  
London  
W1F 9JG

**Independent auditor** Deloitte LLP  
Statutory Auditor  
1 Little New Street  
London  
United Kingdom  
EC4A 3TR

**Bankers** Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

# **INGENIOUS CLEAN ENERGY SERVICES LIMITED**

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## **INGENIOUS CLEAN ENERGY SERVICES LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2016**

The directors present their report and the financial statements of Ingenious Clean Energy Services Limited ("the Company") for the year ended 30 June 2016.

#### **Principal activity and place of business**

The Company is a wholly-owned subsidiary of Ingenious Media Limited, which is a wholly-owned subsidiary within the Ingenious Media Holdings plc group ("the Group"). The principal activity of the Company is the provision of services to the clean energy industry and the principal place of business is London, United Kingdom. The directors are not aware of any major changes in the Company's activities in the next year.

The Group manages its operations on a divisional basis. For this reason, the Company's directors believe that key performance indicators for the Company are not necessary or appropriate for an understanding of its development, performance or position.

#### **Going Concern**

The Company's business activities including the impact of the First-tier Tax Tribunal and Partner Payment Notices (as further explained in note 7), have been reviewed by the directors.

Having assessed these risks including those set out in the Directors' Report, its financial position, and profit and cash flow forecasts, the directors intend to continue operating its business despite the current uncertain economic outlook. The going concern basis of accounting is appropriate but there are material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue to adopt the going concern basis of accounting in the future.

Further details regarding the adoption of the going concern basis can be found in note 1.2 of the Notes to the Financial Statements.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £182,211 (2015 - profit £44,778).

The directors do not propose to pay a final dividend (2015: NIL)

Interim dividends of £600,000 were paid during the year (2015: NIL).

#### **Directors**

The directors who served during the year were:

N A Foster (appointed 30 August 2011)  
J L Boyton (appointed 30 August 2011, resigned 19 June 2016)  
M T Bugden (appointed 30 August 2011, resigned 22 March 2016)  
D M Reid (appointed 30 August 2011)  
S J Speight (appointed 30 August 2011)

#### **Principal risks and uncertainties**

##### **Business risk**

Business risk is the failure of the business to execute its business strategy and therefore being unsuccessful in achieving projected returns. This includes changes to tax legislation or financial regulation. Please refer to note 7 for further details.

## **INGENIOUS CLEAN ENERGY SERVICES LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2016**

#### **Small companies' exemptions**

The Director's Report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. The Company has taken advantage of the exemption for the requirement to disclose an enhanced business review and to prepare a strategic report in accordance with section 414B of the Companies Act 2006.

#### **Future developments**

The directors expect the general level of activity to remain consistent with 2016 in the forthcoming year.

#### **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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **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.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

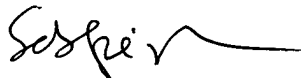
**INGENIOUS CLEAN ENERGY SERVICES LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2016**

**Auditor**

Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



**S J Speight**  
Director

Date: 15 December 2017

15 Golden Square  
London  
W1F 9JG

Company Registration Number: 07755223 (England and Wales)

## **INGENIOUS CLEAN ENERGY SERVICES LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INGENIOUS CLEAN ENERGY SERVICES LIMITED**

We have audited the financial statements of Ingenious Clean Energy Services Limited for the year ended 30 June 2016 which comprises the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the 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' as applicable to small companies.

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 2, 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 Financial Reporting Council's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 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.

## **INGENIOUS CLEAN ENERGY SERVICES LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INGENIOUS CLEAN ENERGY SERVICES LIMITED (CONTINUED)**

#### **Emphasis of matter**

Without qualifying our opinion, we draw the attention to the disclosures made in note 2 of the financial statements concerning the critical accounting judgement and key source of estimation uncertainties that the directors have made in the process of determining the tax liability of the Company and which have a significant effect on the amount recognised in the financial statements.

Although the First-tier Tribunal has released its decision on 2 August 2016 and further clarification was received in May 2017 from the judge, the ultimate outcome of this case remains uncertain and the provision recognised in the financial statements is the directors' best estimate of the amount required to settle the obligation at the reporting date based on the latest tribunal decision.

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in the Accounting Policies concerning the Company's ability to continue as a going concern.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern, and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

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

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements.

#### **Matters on which we are required to report by exception**

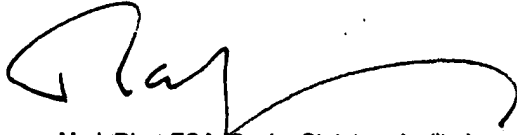
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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 to prepare a Strategic Report or in preparing the Directors' Report.



**INGENIOUS CLEAN ENERGY SERVICES LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INGENIOUS CLEAN ENERGY SERVICES  
LIMITED (CONTINUED)**



**Mark Rhys FCA (Senior Statutory Auditor)**

**for and on behalf of  
Deloitte LLP**

**Statutory Auditor  
1 Little New Street  
London  
United Kingdom  
EC4A 3TR**

**15 December 2017**

**INGENIOUS CLEAN ENERGY SERVICES LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016**

		<b>30 June 2016 £</b>	<b>15 months ended 30 June 2015 £</b>
	<b>Note</b>		
Turnover		<b>2,360,618</b>	<b>846,581</b>
Cost of sales		<b>(2,465,870)</b>	<b>(801,918)</b>
<b>Gross (loss)/profit</b>		<b>(105,252)</b>	<b>44,663</b>
Administrative expenses		<b>(64,485)</b>	<b>(2,375)</b>
<b>Operating (loss)/profit</b>	<b>3</b>	<b>(169,737)</b>	<b>42,288</b>
Interest receivable and similar income	<b>5</b>	<b>3,026</b>	<b>2,490</b>
Interest payable and similar charges	<b>6</b>	<b>(1,218)</b>	<b>-</b>
<b>(Loss)/profit before tax</b>		<b>(167,929)</b>	<b>44,778</b>
Tax on (loss)/profit	<b>7</b>	<b>(14,282)</b>	<b>-</b>
<b>(Loss)/profit for the year/period</b>		<b>(182,211)</b>	<b>44,778</b>

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 10 to 16 form part of these financial statements.


**INGENIOUS CLEAN ENERGY SERVICES LIMITED**  
**REGISTERED NUMBER: 07755223**

**BALANCE SHEET**  
**AS AT 30 JUNE 2016**

	Note	30 June 2016 £	30 June 2016 £	30 June 2015 £	30 June 2015 £
<b>Current assets</b>					
Debtors: amounts falling due within one year	8	619,430		394,901	
Cash at bank and in hand	9	110,613		851,686	
		<u>730,043</u>		<u>1,246,587</u>	
Creditors: amounts falling due within one year	10	(637,061)		(371,394)	
<b>Net current assets</b>			<b>92,982</b>		<b>875,193</b>
<b>Total assets less current liabilities</b>			<b>92,982</b>		<b>875,193</b>
<b>Net assets</b>			<b>92,982</b>		<b>875,193</b>
<b>Capital and reserves</b>					
Called up share capital	11		1		1
Profit and loss account			92,981		875,192
			<u>92,982</u>		<u>875,193</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 15 December 2017.



**S J Speight**  
 Director

The notes on pages 10 to 16 form part of these financial statements.

# INGENIOUS CLEAN ENERGY SERVICES LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2015	1	875,192	875,193
<b>Comprehensive income for the year</b>			
Loss for the year	-	(182,211)	(182,211)
<b>Total comprehensive loss for the year</b>	-	(182,211)	(182,211)
Dividends: Equity capital	-	(600,000)	(600,000)
<b>Total transactions with owners</b>	-	(600,000)	(600,000)
<b>At 30 June 2016</b>	<b>1</b>	<b>92,981</b>	<b>92,982</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2014	1	830,414	830,415
<b>Comprehensive income for the period</b>			
Profit for the period	-	44,778	44,778
<b>Total comprehensive income for the period</b>	-	44,778	44,778
<b>Total transactions with owners</b>	-	-	-
<b>At 30 June 2015</b>	<b>1</b>	<b>875,192</b>	<b>875,193</b>

The notes on pages 10 to 16 form part of these financial statements.

## **INGENIOUS CLEAN ENERGY SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

The Company is incorporated in the United Kingdom under the Companies Act 2006. The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 Section 1A ("FRS 102") issued by the Financial Reporting Council.

The Company is limited by shares and incorporated in England. The address of registered office is given in the company information page of these financial statements.

The Company's principal activity is the provision of administration and management services.

The functional and presentational currency of the Company is considered to be pound sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are rounded to the nearest £.

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 accounting policies.

The financial statements do not include a cash flow statement because the Company satisfies the criteria of being a qualifying small entity as defined in FRS 102 and as such has taken advantage of the exemption available under section 1A of FRS 102 not to disclose such a statement.

The following principal accounting policies have been applied consistently throughout the current year and prior period:

##### **1.2 Going concern**

The Company's business activities including the impact of the First-tier Tax Tribunal and Partner Payment Notices (as further explained in note 7), have been reviewed by the directors.

The directors have prepared cash flow forecasts for 12 months following approval of these financial statements assuming a range of operational transactions including the outcome of HMRC's determination of the Partner Payment Notices.

Having assessed these risks including those set out in the Directors' Report, its financial position, and profit and cash flow forecasts, the directors intend to continue operating its business despite the current uncertain economic outlook. The going concern basis of accounting is appropriate but there are material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue to adopt the going concern basis of accounting in the future.

##### **1.3 Turnover recognition**

Turnover is recognised to the extent that it is probable that the economic benefit will flow to the Company and the turnover can be reliably measured.

Turnover is generated through the provision of administration and management services and is derived from activities in the United Kingdom. Turnover is recognised net of VAT.

## INGENIOUS CLEAN ENERGY SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

#### 1. Accounting policies (continued)

##### 1.4 Debtors

Short term debtors are measured at transaction price, less any impairment.

##### 1.5 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.

##### 1.6 Creditors

Short term creditors are measured at the transaction price.

##### 1.7 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge 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 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.

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

##### Critical accounting judgements in applying the accounting policies

The following are critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

##### Tax liability

In estimating the potential tax liability relating to the First-tier Tax Tribunal (refer to note 7), the following key elements as set out in the Tribunal decision were taken into account in calculating the partnerships' revised profits or losses: treatment of the operator and executive producer fees, deductibility of contracted film cost, recognition of film income and the calculation of the film net realisable values. These reduce the income and expenditure recognised by the partnerships which reduces the losses available to be utilised by the Group.

# INGENIOUS CLEAN ENERGY SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

### 3. Operating (loss)/profit

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

	<b>30 June 2016</b>	<i>15 months ended 30 June 2015</i>
	<b>£</b>	<b>£</b>
Auditor's remuneration	<b>2,316</b>	<b>2,355</b>

### 4. Employees

The Company incurred no staff costs nor paid any remuneration to its directors during the year (period ended 30 June 2015: £nil). The Company had no employees during the current year and prior period. The emoluments of the directors were paid and borne by other Group undertakings and none of their remuneration was specifically attributable to their services to the Company.

### 5. Interest receivable and similar income

	<b>30 June 2016</b>	<i>15 months ended 30 June 2015</i>
	<b>£</b>	<b>£</b>
Other interest receivable	<b>3,026</b>	<b>2,490</b>
	<b>3,026</b>	<b>2,490</b>

### 6. Interest payable and similar charges

	<b>30 June 2016</b>	<i>15 months ended 30 June 2015</i>
	<b>£</b>	<b>£</b>
Interest provision on estimated tax liability	<b>1,218</b>	<b>-</b>
	<b>1,218</b>	<b>-</b>

# INGENIOUS CLEAN ENERGY SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

### 7. Taxation

	30 June 2016 £	15 months ended 30 June 2015 £
<b>Corporation tax</b>		
UK Corporation tax at 20% based on the adjusted results for the year/period	14,282	-
	<u>14,282</u>	<u>-</u>
<b>UK corporation tax charge on the (loss)/profit for the year/period</b>	<u>14,282</u>	<u>-</u>

#### Factors affecting tax charge for the year/period

The tax assessed for the year is lower than (2015 - *lower than*) the standard rate of corporation tax in the UK of 20% (2015 - 20.8%). The differences are explained below:

	30 June 2016 £	15 months ended 30 June 2015 £
(Loss)/profit on ordinary activities before tax	(167,929)	44,778
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.8%)	(33,586)	9,314
<b>Effects of:</b>		
Group relief	33,586	(9,314)
Group relief withdrawn and film production losses denied	14,282	-
<b>Total tax charge for the year/period</b>	<u>14,282</u>	<u>-</u>



## INGENIOUS CLEAN ENERGY SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

#### 7. Taxation (continued)

##### Factors that may affect future tax charges

In prior accounting periods the Company has received the benefit of tax losses associated with the Group's investment in a number of film and game production partnerships. The Group has challenged the basis on which the closure notices of the partnerships have been calculated, resulting in a hearing before the First-tier Tax Tribunal ("the Tribunal"). The initial decision of the Tribunal was delivered on 2 August 2016, a second decision which clarified the findings of the first decision was delivered in May 2017 and an amended decision was received on 16 November 2017. The effect of the decisions is to reduce both the losses available to Group entities that invested in the film and game production partnerships and their share of taxable income from the partnerships. At the date of signing the financial statements the partnerships have received permission: to appeal in full on 7 of the 8 grounds applied for and on some aspects of the remaining ground. The Upper Tribunal has also formally indicated that it intends to grant permission to appeal on the remaining aspects of the only ground on which permission to appeal has not been granted in full by the Tribunal. The quantum of both tax losses available to the Group and income taxable on Group entities arising from the Group's investment in these partnerships will remain uncertain until the tax cases are finally resolved. The directors have estimated an additional tax liability for the Company of £14.3k together with a liability for late paid interest of £1.2k based on the current Tribunal decision. These figures are subject to any future court decisions.

During November 2016, a number of companies, all subsidiaries of Ingenious Media Holdings Limited, as corporate members of film production partnerships received Partner Payment Notices ("PPNs"), which are demands for payments on account in respect of a tax liability in dispute, from HMRC. These corporate member companies (together the "Members") submitted written representations to HMRC within the authorised 90 day period. As a result of these representations, the PPNs were not due and payable until 30 days after the date on which HMRC responded to the representations and therefore have not been recognised as a liability at year end.

#### 8. Debtors

	30 June 2016 £	30 June 2015 £
Trade debtors	213,791	-
VAT receivable/recoverable	14,160	-
Prepayments and accrued income	391,479	394,901
	<u>619,430</u>	<u>394,901</u>

#### 9. Cash and cash equivalents

	30 June 2016 £	30 June 2015 £
Cash at bank and in hand	110,612	851,686
	<u>110,612</u>	<u>851,686</u>

# INGENIOUS CLEAN ENERGY SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

	30 June 2016 £	30 June 2015 £
Trade creditors	172,824	-
Corporation tax	15,500	-
Other creditors	446,207	369,041
Accruals	2,530	2,353
	<u>637,061</u>	<u>371,394</u>

### 11. Share capital

	30 June 2016 £	30 June 2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and partly paid</b>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

### 12. Related party transactions

The Company has applied the exemption granted by Section 1A of FRS 102 Related Party Disclosures not to disclose transactions with the parent company on the basis that it is a wholly owned subsidiary or any transactions with other related parties that have been undertaken under normal market conditions.

### 13. Controlling party

During the period ended 30 June 2016 the Company was a wholly-owned subsidiary of Ingenious Media Limited, a company registered in England and Wales. Ingenious Media Limited is a wholly-owned subsidiary within the Group. Ingenious Media Holdings plc is the only parent undertaking for which consolidated financial statements are prepared.

The consolidated financial statements of Ingenious Media Holdings plc can be obtained from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

The controlling shareholder of Ingenious Media Holdings plc is P A McKenna.

## **INGENIOUS CLEAN ENERGY SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

#### **14. Transition to FRS 102**

This is the first year that the Company has presented its financial statements under FRS 102 issued by the Financial Reporting Council. The following disclosures are required in the year of transition.

- a. The Statement of Changes in Equity is a new disclosure within the Financial Statements.
- b. The Statement of Accounting Policies is now presented as note 1 within the Notes to the Financial Statements.
- c. Critical Accounting Judgements is a new disclosure presented as note 2 within the Notes to the Financial Statements.
- d. The tax note now reconciles the total tax charge/(credit) and not just the current tax charge/(credit).

The last financial statements under previous UK GAAP were for the period ended 30 June 2015 and the date of transition to FRS 102 was therefore 6 April 2014, however, there was no material restatement required to the comparatives as a result of adoption of FRS 102.

The financial statements for the prior period were prepared in accordance with the previously effective UK accounting standards. The transition to the new financial reporting framework has had no impact on recognition and measurement, but has required amendments to presentation and disclosure. The additional or amended disclosures in relation to the prior period have been presented consistently with those for the current year.