

**AVONMOUTH BIO POWER ENERGY LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 30 JULY 2020**

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JULY 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	4	1,000,000	16,362,110
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	538,206	634,280
Cash at bank and in hand		93,803	41,197
		<u>632,009</u>	<u>675,477</u>
Creditors: amounts falling due within one year	6	(15,103,897)	(14,530,961)
<b>Net current liabilities</b>		<u>(14,471,888)</u>	<u>(13,855,484)</u>
<b>Total assets less current liabilities</b>		<u>(13,471,888)</u>	<u>2,506,626</u>
<b>Net (liabilities)/assets</b>		<u><u>(13,471,888)</u></u>	<u><u>2,506,626</u></u>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Other reserves		58,980,496	58,980,496
Profit and loss account		(72,452,385)	(56,473,871)
		<u><u>(13,471,888)</u></u>	<u><u>2,506,626</u></u>

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 JULY 2020**

---

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

**I C Brooking**  
Director

Date: 14 July 2021

The notes on pages 3 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JULY 2020**

---

**1. GENERAL INFORMATION**

The company (registered number 07932861) is a private company, limited by shares and registered in England and Wales. The registered office is Blythe House, Blythe Park, Cresswell, Stoke-on-Trent, Staffordshire, ST11 9RD.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 GOING CONCERN**

The directors have sold the company's fixed assets post year end and intend to liquidate the company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern. This basis includes writing the company's assets down to net realisable value. No provision has been made for the future costs of terminating the business unless such costs were committed at the reporting date.

**2.3 REVENUE**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of value added tax and trade discounts, and includes i) fees for the processing of waste product received ("gate fees"), ii) income received for the sale of electricity exported to the National Grid, and iii) Renewable Energy Obligation Certificates ("ROCs").

Revenue from gate fees are recognised on a monthly basis in the period in which the waste product is processed. Revenue from the sale of electricity is recognised in the period in which the output is delivered.

ROCs are issued to the company by the Government for the sale of electricity from renewable sources, and claimed from Ofgem on a three-monthly cycle.

**2.4 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.

**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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JULY 2020**

---

**2. ACCOUNTING POLICIES (continued)**

**2.5 TANGIBLE FIXED ASSETS (CONTINUED)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line or reducing balance method.

Depreciation is provided on the following basis:

Plant and machinery	-	15 years straight line
Fixtures and fittings	-	5 years straight line
Office equipment	-	3 years straight line
Energy from waste facilities	-	19 years reducing balance

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 profit or loss.

**2.6 IMPAIRMENT OF FIXED ASSETS AND GOODWILL**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**2.7 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.

**2.8 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.

**2.9 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.

**2.10 FINANCIAL INSTRUMENTS**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JULY 2020

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 6 (2019: 7).

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Energy from waste facilities £	Total £
<b>COST OR VALUATION</b>					
At 31 July 2019	721,592	52,594	106,244	57,671,869	58,552,299
At 30 July 2020	721,592	52,594	106,244	57,671,869	58,552,299
<b>DEPRECIATION</b>					
At 31 July 2019	216,477	42,952	106,244	41,824,516	42,190,189
Charge for the year on owned assets	48,106	9,642	-	814,508	872,256
Impairment charge	457,009	-	-	14,032,845	14,489,854
At 30 July 2020	721,592	52,594	106,244	56,671,869	57,552,299
<b>NET BOOK VALUE</b>					
At 30 July 2020	-	-	-	1,000,000	1,000,000
At 30 July 2019	505,115	9,642	-	15,847,353	16,362,110

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JULY 2020

5. DEBTORS

	2020 £	2019 £
Trade debtors	-	38,524
Other debtors	79,556	81,942
Prepayments and accrued income	458,650	513,814
	<u>538,206</u>	<u>634,280</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	800,638	644,772
Amounts owed to group undertakings	14,032,090	13,595,820
Other taxation and social security	-	11,532
Other creditors	-	915
Accruals and deferred income	271,169	277,922
	<u>15,103,897</u>	<u>14,530,961</u>

7. SHARE CAPITAL

	2020 £	2019 £
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
1 (2019: 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

8. PENSION COMMITMENTS

The Avonmouth group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £3,953 (2019: £7,307). Contributions totalling £Nil (2019: £916) were payable to the fund at the reporting date and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JULY 2020**

---

**9. RELATED PARTY TRANSACTIONS**

As the company is a wholly owned subsidiary of Avonmouth Bio Power Limited, the company has taken advantage of the exemption contained in FRS 102.33 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

During the year the company paid management fees to a shareholder of the company's ultimate parent company totalling £30,000 (2019: £30,000). Avonmouth Bio Power Energy Limited have incurred expenses of £2,282 (2019: £185). There is an outstanding balance at the year end of £61,251 (2019: £22,513) included in trade creditors. During the prior year Avonmouth Bio Power Energy Limited were advanced a loan from this company of £160,000, this balance remains outstanding at the year end. The total balance outstanding at the year end was £221,251 (2019: £182,513).

A payment of £750 (2019: £7,589) was paid during the year to an entity under common control for a recharge of costs that had been incurred on behalf of the Avonmouth group. There was an outstanding balance of £Nil (2019: £7,967) at the year end included in creditors.

**10. POST BALANCE SHEET EVENTS**

On 26 February 2021 the company sold its fixed assets for £1,000,000.



This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.