

**Tanganyika Heat Limited**

**Directors' report and financial statements  
for the year ended 29 February 2020**



# Tanganyika Heat Limited

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# Tanganyika Heat Limited

## Company Information

<b>Directors</b>	Dr M J Bullard M G Setchell P Toland OCS Services Limited
<b>Company secretary</b>	Octopus Company Secretarial Services Limited
<b>Registered number</b>	07971244
<b>Registered office</b>	6th Floor 33 Holborn London England EC1N 2HT

# Tanganyika Heat Limited

## Directors' report for the year ended 29 February 2020

The directors present their report and the unaudited financial statements of the company for the year ended 29 February 2020.

### Principal activities

The principal activity of the company is that of a holding company.

### Brexit

The UK left the EU on 31 January 2020 and the transition period ended on 31 December 2020, in which time the UK and EU negotiated additional arrangements and concluded the "Trade and Cooperation Agreement". The directors have considered the impact on the company regarding the agreed exit terms within the agreement and wider regulatory and legal implications within these statutory financial statements and will continue to do so.

### Post balance sheet events

On 11 March 2020, the World Health Organisation declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 150 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is a significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

For the company's 29 February 2020 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and measurement of assets and liabilities. Due to the uncertainty of the outcome of the current events, the company cannot reasonably estimate the impact these events will have on the company's financial position, results of operations or cash flows in the future. The directors will continue to monitor the impact of the Coronavirus on the activities of the company.

### Going concern

The directors have at the date of approving these financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise indicated, are given below:

Dr M J Bullard

M G Setchell

P Toland

OCS Services Limited (resigned 30 July 2020, re-appointed 13 November 2020)

# Tanganyika Heat Limited

## Directors' report (continued) for the year ended 29 February 2020

### Statement of directors' responsibilities

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). 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 and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

### Small company exemption

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

The directors have also taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a strategic report.

This report was approved by the board on 26 February 2021 and signed on its behalf.



**Dr M J Bullard**  
Director

# Tanganyika Heat Limited

## Statement of income and retained earnings for the year ended 29 February 2020

	2020 £	2019 £
Administrative income/(expenses)	361,367	(670)
<b>Operating profit/(loss)</b>	<u>361,367</u>	<u>(670)</u>
Interest receivable and similar income	87,582	282,898
Interest payable and similar charges	(80,840)	(28,151)
<b>Profit on ordinary activities before taxation</b>	<u>368,109</u>	<u>254,077</u>
Tax on profit on ordinary activities	(49,594)	-
<b>Profit for the financial year</b>	<u><u>318,515</u></u>	<u><u>254,077</u></u>
Retained earnings at the beginning of the year	(2,782,821)	(3,036,898)
Profit for the financial year	318,515	254,077
<b>Retained earnings at the end of the year</b>	<u><u>(2,464,306)</u></u>	<u><u>(2,782,821)</u></u>

All amounts above relate to continuing operations.

The company has no items of other comprehensive income for the current or preceding financial year. Therefore no separate statement of other comprehensive income has been presented.

The notes on pages 7 to 13 form part of these financial statements.

# Tanganyika Heat Limited

Registered number: 07971244

## Balance sheet as at 29 February 2020

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Investments	4		-		-
<b>Current assets</b>					
Debtors: amounts falling due after more than one year	5	-		779,084	
Debtors: amounts falling due within one year	5	24,001		1,526,848	
Cash at bank and in hand		200		1,189	
		<u>24,201</u>		<u>2,307,121</u>	
Creditors: amounts falling due within one year	6	(56,974)		(580,202)	
<b>Net current (liabilities)/assets</b>			<b>(32,773)</b>		<b>1,726,919</b>
<b>Total assets less current liabilities</b>			<b>(32,773)</b>		<b>1,726,919</b>
Creditors: amounts falling due after more than one year	7		(7,532)		(2,085,739)
<b>Net liabilities</b>			<b>(40,305)</b>		<b>(358,820)</b>
<b>Capital and reserves</b>					
Called up share capital	8		48,001		48,001
Share premium account			2,376,000		2,376,000
Retained earnings			(2,464,306)		(2,782,821)
<b>Total shareholders' deficit</b>			<b>(40,305)</b>		<b>(358,820)</b>

# Tanganyika Heat Limited

Registered number: 07971244

## Balance sheet (continued) as at 29 February 2020

For the year ending 29 February 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

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.

These accounts have been prepared in accordance with the 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 on



26 February 2021.

**Dr M J Bullard**  
Director

The notes on pages 7 to 13 form part of these financial statements.

# Tanganyika Heat Limited

## Notes to the financial statements for the year ended 29 February 2020

### 1. General information

Tanganyika Heat Limited is a private company, limited by shares, incorporated in and domiciled in England, the United Kingdom, registered number 07971244. The registered office is 6th Floor, 33 Holborn, London, England, EC1N 2HT.

The principal activity of the company is that of a holding company.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. No critical judgements have been applied to these financial statements.

The following principal accounting policies have been applied:

#### 2.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company;
- from disclosing the company's key management personnel compensation as required by FRS 102 para 33.7; and
- from disclosing related party transactions that are wholly owned within the same group.

#### 2.3 Consolidation

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group financial statements. These financial statements therefore present information about the company as an individual undertaking and not about its group.

#### 2.4 Going concern

The directors have at the date of approving these financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

# Tanganyika Heat Limited

## Notes to the financial statements for the year ended 29 February 2020

### 2. Accounting policies (continued)

#### 2.5 Foreign currency

(i) *Functional and presentation currency*

The company's functional and presentation currency is the pound sterling.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and retained earnings within administrative expenses.

#### 2.6 Investments

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

#### 2.7 Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the statement of income and retained earnings.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the statement of income and retained earnings.

# Tanganyika Heat Limited

## Notes to the financial statements for the year ended 29 February 2020

### 2. Accounting policies (continued)

#### 2.8 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of income and retained earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### *(i) Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

##### *(ii) Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

#### 2.9 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.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such on the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the statement of income and retained earnings. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

#### 2.10 Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

# Tanganyika Heat Limited

## Notes to the financial statements for the year ended 29 February 2020

### 3. Employees and directors' remuneration

The company had no employees during the year. The directors did not receive or waive any remuneration (2019: £nil).

### 4. Investments

	<b>Investments in subsidiary companies £</b>
<b>Cost</b>	
At 1 March 2019 and 29 February 2020	-
	<hr/>
<b>Impairment</b>	
At 1 March 2019 and 29 February 2020	-
	<hr/>
<b>Net book value</b>	
At 29 February 2020	-
	<hr/> <hr/>
At 28 February 2019	-
	<hr/> <hr/>

#### *Subsidiary undertakings*

The company owns 100% of the ordinary share capital of Erie Heat Limited a company registered in England and Wales. The registered office of Erie Heat Limited is 6th Floor, 33 Holborn, London, EC1N 2HT.

On 21 June 2019, the company's subsidiary, Erie Heat Limited, disposed of 100% of the ordinary share capital of Manor Farm Community Energy Limited.

# Tanganyika Heat Limited

## Notes to the financial statements for the year ended 29 February 2020

### 5. Debtors

	2020 £	2019 £
<b>Amounts falling due after one year</b>		
Amounts owed by group undertakings	-	779,084
	<u>                    </u>	<u>                    </u>
	2020 £	2019 £
<b>Amounts falling due within one year</b>		
Other debtors	24,001	24,001
Prepayments and accrued income	-	1,502,847
	<u>24,001</u>	<u>1,526,848</u>
	<u>                    </u>	<u>                    </u>

Included within amounts owed by group undertakings are unsecured loans with year end balances totalling £nil (2019: £779,084). The loans bear interest at 8.5% (2019: 8.5%) and are repayable after more than five years.

Amounts owed by group undertakings are stated after provisions for doubtful debts of £2,809,186 (2019: £3,149,129).

### 6. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	-	1,224
Amounts owed to group undertakings	24,948	23,712
Corporation tax	31,307	-
Accruals and deferred income	719	555,266
	<u>56,974</u>	<u>580,202</u>
	<u>                    </u>	<u>                    </u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

# Tanganyika Heat Limited

## Notes to the financial statements for the year ended 29 February 2020

### 7. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Amounts owed to group undertakings	<u>7,532</u>	<u>2,085,739</u>

Included within amounts owed to group undertakings is £7,532 (2019: £2,085,739). The loans bear interest at 12.44% (2019: 12.44%) and is due for repayment after more than five years.

### 8. Called up share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
4,800,020 (2019: 4,800,020) Ordinary shares of £0.01	<u>48,001</u>	<u>48,001</u>

### 9. Related party transactions

The company has identified the following transactions which are to be disclosed under the terms of FRS 102 "Related party transactions".

#### Octopus Apollo VCT Plc

A loan totalling £7,532 (2019: £2,085,739) received from Octopus Apollo VCT Plc, a related party due to its shareholding in the entity, was outstanding. Interest of £80,328 (2019: £27,724) was payable on the loan with £nil (2019: £550,921), included in accruals and deferred income at the year end.

#### Erie Heat Limited

A loan totalling £2,209,186 (2019: £3,328,212) was given to Erie Heat Limited, a subsidiary of Tanganyika Heat Limited. At the year end, an amount of £nil (2019: £779,084) was outstanding and included within debtors. Interest of £87,582 (2019: £282,898), was receivable on the loan with £nil (2019: £1,502,847) included within prepayments and accrued income at year end.

### 10. Ultimate parent undertaking and controlling party

The directors do not consider the company to have an ultimate controlling party or parent company, by virtue of a split holding in its shares. The results of the company are not consolidated within any other company.

# Tanganyika Heat Limited

## Notes to the financial statements for the year ended 29 February 2020

### 11. Post balance sheet events

On 11 March 2020, the World Health Organisation declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 150 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is a significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

For the company's 29 February 2020 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and measurement of assets and liabilities. Due to the uncertainty of the outcome of the current events, the company cannot reasonably estimate the impact these events will have on the company's financial position, results of operations or cash flows in the future. The directors will continue to monitor the impact of the Coronavirus on the activities of the company.