

RENEWABLE ENERGY AFRICA LIMITED

REGISTERED NO: 8539724

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

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COMPANIES HOUSE

RENEWABLE ENERGY AFRICA LIMITED

Directors

S S Hobhouse

M A Gage

Secretary

M A Gage

Independent Auditor

Baker Tilly UK Audit LLP

25 Farringdon Street

London

EC4A 4AB

Registered office

3rd Floor

45 Ludgate Hill

London

EC4M 7JU

RENEWABLE ENERGY AFRICA LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the Company for the period ended 31 December 2013.

STATUS

The Company was incorporated on 22nd May 2013.

PRINCIPAL ACTIVITY

The Company holds 100% of the share capital of Honde Hydro Power Consolidated (Pvt) Limited, whose principal activities is renewable energy generation in Zimbabwe.

GOING CONCERN BASIS

The Company is a wholly owned subsidiary of its ultimate holding company, PGI Group Limited. Details of the group's principal risks, uncertainties and key performance indicators can be found in the Business Review and notes to the accounts of its ultimate holding company.

The Company does not have banking facilities. Transactions are processed through the use of inter-company accounts.

After reviewing the current situation, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS

The directors who served during the period were as follows:-

S S Hobhouse (Appointed 22nd May 2013)

M A Gage (Appointed 22nd May 2013)

REGISTERED NUMBER

The Company's registered number is 8539724.

AUDITOR

Baker Tilly UK Audit LLP were appointed as auditors of the Company.

RENEWABLE ENERGY AFRICA LIMITED

DIRECTORS' REPORT (Continued)

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the Company's auditor, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditor is unaware; and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

SMALL COMPANY PROVISIONS

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

BY ORDER OF THE BOARD

Margaret Gage

M A Gage
Secretary

3rd Floor
45 Ludgate Hill
LONDON
EC4M 7JU

RENEWABLE ENERGY AFRICA LIMITED

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 and loss of the company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RENEWABLE ENERGY AFRICA LIMITED

We have audited the financial statements on pages 7 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 4, 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 auditing practices board's (APB's) ethical standards for auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx).

Opinion on the financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the company's affairs as at 31 December 2013;
- 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.

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 the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
RENEWABLE ENERGY AFRICA LIMITED (Continued)

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Baker Tilly UK Audit LLP

MARK HARWOOD (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

10.4.16

RENEWABLE ENERGY AFRICA LIMITEDCompany Registration No. 8539724**BALANCE SHEET**
AS AT 31 DECEMBER 2013

	<u>Note</u>	<u>2013</u> <u>£</u>
Fixed assets		
Investments	3	7,894,737

Creditors: amounts falling due		
after more than one year	4	(7,894,736)

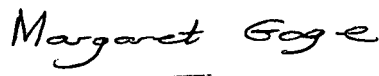
Net assets		1
		=====
Capital and reserves		
Called up share capital		
Authorised, issued and fully paid		
ordinary shares of £1 each		1
Profit and loss account		-

Shareholders' funds - equity		1
		=====

The notes on pages 8 to 10 form part of these financial statements.

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

The financial statements were approved and authorised for issue by the Board of Directors on 10th April 2014 and signed on its behalf by:



M.A Gage
Director

RENEWABLE ENERGY AFRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. These financial statements present information about Renewable Energy Africa Limited as an individual undertaking, not as a group.

(b) Investments

Shares in subsidiary companies are stated at cost unless there are any indications of impairment, in which case the impairment is quantified and recognised.

(c) Cash flow statement

The Company has taken advantage of the exemption permitted by FRS 1 whereby a cash flow statement need not be prepared by a wholly owned subsidiary of a parent company which itself publishes consolidated financial statements.

(d) Deferred Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less, tax, with following exceptions:

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

RENEWABLE ENERGY AFRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT)

2. INFORMATION REGARDING DIRECTORS, EMPLOYEES AND AUDITOR

None of the directors received any emoluments during the year. The Company has no employees. The auditor's remuneration is met by the ultimate parent company.

3. FIXED ASSET INVESTMENTS

	Shares in subsidiary <u>undertaking</u> <u>2013</u> £
At cost	
Addition and 31 December 2013	7,894,737 =====

In the directors' opinion the value of the shares in the subsidiary undertaking is not less than the amount at which they are stated in the balance sheet.

The investment consists of a holding of 100% of the issued share capital of Honde Hydro Power Consolidated (Pvt) Limited, a company incorporated in Zimbabwe, whose principal activities is renewable energy generation.

The subsidiary has net assets £561,000 and made a loss of £2,000.

In accordance with Section 400 of the Companies Act 2006, no group financial statements have been prepared as Renewable Energy Africa Limited is a wholly owned subsidiary undertaking of PGI Group Ltd, a company registered in England and Wales.

RENEWABLE ENERGY AFRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT)

4.	<u>CREDITORS:</u> Amounts falling due within one year:	<u>2013</u> £
	Amount due to fellow subsidiary undertakings	7,894,736 =====

5. CALLED UP SHARE CAPITAL

	<u>Authorised</u>	Issued and <u>fully paid</u>
	<u>2013</u>	<u>2013</u>
	£	£
Ordinary shares of £1 each	1 ==	1 ==

6. GOING CONCERN

The Company's financial position and its business activity are disclosed in the Directors' Report on page 2.

There are no group borrowing or overdraft facilities within the UK (after group set off of balances). The parent undertaking has agreed to provide adequate funds for the Company to meet its liabilities and the directors have no reason to doubt that such support will not continue for the foreseeable future. Accordingly, the directors have continued to adopt the going concern basis of accounting in preparing the financial statements.

7. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption conferred by FRS 8 whereby a wholly owned subsidiary need not disclose details of transactions with fellow group companies.

8. ULTIMATE PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The ultimate parent company and the only group company for which consolidated accounts are prepared is PGI Group Limited. Copies of this company's financial statements can be obtained from the secretary, 45 Ludgate Hill, London, EC4M 7JU. The ultimate controlling party is Mr S.N Roditi.