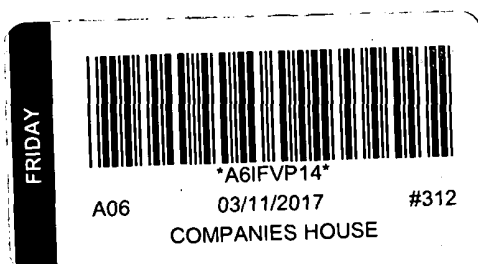


**APUS ENERGY LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**



## **APUS ENERGY LIMITED**

### **COMPANY INFORMATION**

**Directors**

Mr T Senior (resigned 12 October 2016)  
Mr M Tucker  
Mr M Setchell (appointed 12 October 2016, resigned 14 November 2016)  
Mr E Keelan (appointed 14 November 2016, resigned 14 August 2017)  
Mr C Carlson (appointed 17 May 2017)  
Mr A Fraser (appointed 17 May 2017, resigned 14 August 2017)

**Registered number**

09153837

**Registered office**

First Floor  
18 Park Place  
Cardiff  
CF10 3DQ

**Independent auditors**

James Cowper Kreston  
Chartered Accountants and Statutory Auditor  
Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

# **APUS ENERGY LIMITED**

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<b>Notes to the financial statements</b>	<b>2 - 10</b>

**APUS ENERGY LIMITED**  
**REGISTERED NUMBER: 09153837**

**BALANCE SHEET**  
**AS AT 31 MARCH 2017**

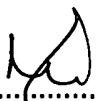
	Note	2017 £000	2016 £000
Investments	6	-	-
		<hr/>	<hr/>
		-	-
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	2,932	1,459
Cash at bank and in hand	8	785	3,159
		<hr/>	<hr/>
		3,717	4,618
Creditors: amounts falling due within one year	9	(2,994)	(1,794)
		<hr/>	<hr/>
<b>Net current assets</b>		723	2,824
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		723	2,824
Creditors: amounts falling due after more than one year	10	-	(2,400)
		<hr/>	<hr/>
<b>Net assets</b>		723	424
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	12	-	-
Profit and loss account	13	723	424
		<hr/>	<hr/>
		723	424
		<hr/>	<hr/>

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 comprehensive income 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:

  
 .....  
**Mr M Tucker**  
 Director

Date: 23.10.2017

The notes on pages 2 to 10 form part of these financial statements.

## **APUS ENERGY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

#### **1. General information**

Apus Energy Limited is a limited liability company which is incorporated in the United Kingdom. Its principal activity is finding and developing power generation projects.

#### **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 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's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Basis of 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 accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

##### **2.3 Cash flow**

The company has taken advantage of the exemption in FRS102 section 1A.7 from the requirement to produce a cash flow statement on the grounds that it is a small company.

##### **2.4 Revenue**

Turnover comprises revenue recognised by the company for development services provided during the period. Revenue is recognised, in full, on completion of the relevant milestone that gives the company the right to invoice and collect its fees. This is the point at which the directors consider the service to be delivered and the right to revenue to accrue to the company.

##### **2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

##### **2.6 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.

##### **2.7 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.

## **APUS ENERGY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

#### **2. Accounting policies (continued)**

##### **2.8 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans from related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

##### **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.

## **APUS ENERGY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

#### **2. Accounting policies (continued)**

##### **2.10 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

###### **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 comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

##### **2.11 Finance costs**

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.12 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

##### **2.13 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

## APUS ENERGY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

#### 2. Accounting policies (continued)

##### 2.14 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.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### Prepayments

Costs incurred during the course of a development project are held in prepayments until completion. These costs are only considered free from impairment if using management's judgement, it is likely that the development will complete. Upon completion, the costs held are released to the profit and loss and matched against the corresponding development fee income.

##### Taxation

The company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience with previous tax submissions. Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.



**APUS ENERGY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**4. Operating profit**

The operating profit is stated after charging:

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	6	7
Exchange differences	(44)	(27)
	<u>          </u>	<u>          </u>

**5. Employees**

The average monthly number of employees, including directors, during the year was 0 (2016 - 0).

# APUS ENERGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

### 6. Fixed asset investments

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company at 31 March 2017:

Name	Country of incorporation	Class of shares	Holding
Apus Reserve Power 1 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 2 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 3 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 4 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 5 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 6 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 7 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 8 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 9 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 10 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 11 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 12 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 13 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 14 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 15 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 16 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 17 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 18 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 19 Limited	England & Wales	Ordinary	100 %
Apus Reserve Power 20 Limited	England & Wales	Ordinary	100 %
Banbury Power Limited	England & Wales	Ordinary	100 %
Cody Power Limited	England & Wales	Ordinary	100 %
Cross Green Power Limited	England & Wales	Ordinary	100 %
Dee Power Limited	England & Wales	Ordinary	100 %
Farnborough Power Limited	England & Wales	Ordinary	100 %
Flint Power Limited	England & Wales	Ordinary	100 %
Hele Power Limited	England & Wales	Ordinary	100 %
Immingham Reserve Power Limited	England & Wales	Ordinary	100 %
Lancaster Power Limited	England & Wales	Ordinary	100 %
Low Moor Power Limited	England & Wales	Ordinary	100 %
Nacton Power Limited	England & Wales	Ordinary	100 %
Normanton Power Limited	England & Wales	Ordinary	100 %
Northwich Power Limited	England & Wales	Ordinary	100 %
Ribble Power Limited	England & Wales	Ordinary	100 %
Tay Power Limited	England & Wales	Ordinary	100 %
Wade Power Limited (Previously known as Hull Reserve Power Limited)	England & Wales	Ordinary	100 %

**APUS ENERGY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**6. Fixed asset investments (continued)**

Lancaster Power Limited is engaged in finding and developing power generation projects. All other companies are dormant.

**7. Debtors**

	<b>2017 £000</b>	<b>2016 £000</b>
Trade debtors	1,383	-
Amounts owed by participating interests	362	77
Other debtors	609	802
Prepayments and accrued income	578	580
	<u>2,932</u>	<u>1,459</u>

**8. Cash and cash equivalents**

	<b>2017 £000</b>	<b>2016 £000</b>
Cash at bank and in hand	785	3,159
	<u>785</u>	<u>3,159</u>

**9. Creditors: Amounts falling due within one year**

	<b>2017 £000</b>	<b>2016 £000</b>
Trade creditors	52	75
Amounts owed to related parties	2,701	109
Corporation tax	111	1,278
Other taxation and social security	34	282
Accruals and deferred income	96	50
	<u>2,994</u>	<u>1,794</u>

**10. Creditors: Amounts falling due after more than one year**

	<b>2017 £000</b>	<b>2016 £000</b>
Amounts owed to related parties	-	2,400
	<u>-</u>	<u>2,400</u>

**APUS ENERGY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**11. Financial instruments**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
<b>Financial assets</b>		
Cash and cash equivalents	785	3,159
Financial assets measured at amortised cost	2,354	879
	<u>3,139</u>	<u>4,038</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(2,787)	(2,866)
	<u>(2,787)</u>	<u>(2,866)</u>

Financial assets measured at amortised cost comprise amounts owed by related parties and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to related parties and other taxes and social securities.

**12. Share capital**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
1 A Ordinary share of £1	1	1
1 B Ordinary share of £1	1	1
	<u>2</u>	<u>2</u>

**13. Reserves**

**Profit and loss account**

The profit and loss account represents all accumulated profits available for distribution to members, less profits already distributed as dividends.

## **APUS ENERGY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

#### **14. Related party transactions**

The company is exempt from disclosing related party transactions with 100% owned subsidiary companies by virtue of the provisions of FRS102 section 33.5.

At the period end the company owed £1,320,000 (2016: £1,200,000) to Welsh Power Group Limited in the form of loans and accrued interest. Interest charged on this loan during this year was £120,000 (2016: £nil). The loan has an interest rate of 10%. During the period Apus Energy Limited was charged management fees of £540,000 (2016: £637,000) from Welsh Power Group Limited. The amount outstanding at 31 March 2017 for trading balances was £61,000 (2016: £109,000).

At the period end the company owed £1,320,000 (2016: £1,200,000) to Octopus Administrative Services Limited in the form of loans and accrued interest. Interest is chargeable at 10% from 1 April 2016. During the period Apus Energy Limited incurred £120,000 (2016: £Nil) of loan interest to Octopus Administrative Services Limited.

Welsh Power Group Limited and Octopus Administrative Service Limited are both shareholders of Apus Energy Limited.

#### **15. Controlling party**

The directors believe there is no ultimate controlling party.

#### **16. Auditors' information**

The auditor's report on the full financial statements was unqualified.

The auditor's report was signed by Alan Poole BA (Hons) FCA (Senior Statutory Auditor) for and on behalf of James Cowper Kreston, Chartered Accountants and Statutory Auditor, Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS.