
FUTURE FUELS NO.1 LLP

UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2017



FUTURE FUELS NO:1 LLP

INFORMATION

Designated Members

Future Fuels (Management Services) Limited
Future Fuels (Partnership Services) Limited

LLP registered number

OC334323

Registered office

27/28 Eastcastle Street
London
W1W 8DH

FUTURE FUELS NO.1 LLP

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FUTURE FUELS NO.1 LLP

MEMBERS' REPORT FOR THE YEAR ENDED 5 APRIL 2017

The members present their annual report together with the financial statements of Future Fuels No.1 LLP (the "LLP") for the year ended 5 April 2017.

Designated Members

Future Fuels (Management Services) Limited and Future Fuels (Partnership Services) Limited were designated members of the LLP throughout the period.

Members' capital and interests

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP.

Details of changes in members' capital in the year ended 5 April 2017 are set out in the Reconciliation of members' interests.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements. Members draw a proportion of their profit shares monthly during the year in which it is made, with the balance of profits being distributed after the year, subject to the cash requirements of the business.

FUTURE FUELS NO.1 LLP

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 5 APRIL 2017

Members' responsibilities statement

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

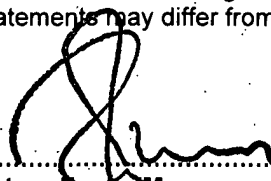
Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the LLP and financial information included on the LLP's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



.....
Future Fuels (Management Services) Limited
Designated member

Date: 29.01.2018

FUTURE FUELS NO.1 LLP

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 5 APRIL 2017**

	Note	2017 £	2016 £
Turnover		-	912,740
Gross profit		-	912,740
Administrative expenses		(596,116)	(4,699,562)
Operating loss		(596,116)	(3,786,822)
Amounts written off investments		-	(2,508)
Interest receivable and similar income		493	361,488
Interest payable and expenses		(891,000)	(6,527,096)
Loss before tax		(1,486,623)	(9,954,938)
Loss for the year before members' remuneration and profit shares available for discretionary division among members		(1,486,623)	(9,954,938)
Other comprehensive income for the year			
Total comprehensive income for the year		(1,486,623)	(9,954,938)

FUTURE FUELS NO.1 LLP
REGISTERED NUMBER: OC334323

BALANCE SHEET
AS AT 5 APRIL 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	6	5,600,000	5,600,000
Investments	7	1	1
Current assets			
Debtors: amounts falling due within one year	8	27,613,207	13,391,377
Cash at bank and in hand		-	120,778
		<u>27,613,207</u>	<u>13,512,155</u>
Creditors: Amounts Falling Due Within One Year	9	(19,161,803)	(17,613,191)
Net current assets/(liabilities)		<u>8,451,404</u>	<u>(4,101,036)</u>
Total assets less current liabilities		<u>14,051,405</u>	<u>1,498,965</u>
Provisions for liabilities			
Other provisions		(14,039,063)	-
Net assets		<u><u>12,342</u></u>	<u><u>1,498,965</u></u>
Represented by:			
Loans and other debts due to members within one year			
Members' other interests			
Members' capital classified as equity		153,471,842	153,471,842
Other reserves classified as equity		(153,459,500)	(151,972,877)
		<u>12,342</u>	<u>1,498,965</u>
Total members' interests		<u><u>12,342</u></u>	<u><u>1,498,965</u></u>
Members' other interests		<u><u>12,342</u></u>	<u><u>1,498,965</u></u>

FUTURE FUELS NO.1 LLP
REGISTERED NUMBER: OC334323

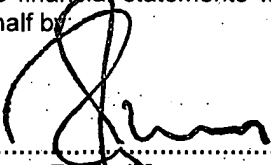
BALANCE SHEET (CONTINUED)
AS AT 5 APRIL 2017

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the members and were signed on their behalf by



.....
Future Fuels (Management Services) Limited
Designated member

Date: 29.01.2018

The notes on pages 7 to 14 form part of these financial statements.

FUTURE FUELS NO.1 LLP

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 5 APRIL 2017**

	EQUITY		
	Members' capital (classified as equity) £	Members' other interests Other reserves £	Total £
Loss for the year available for discretionary division among members	-	(9,954,939)	(9,954,939)
Members' interests after profit for the year	152,767,337	(151,972,879)	794,458
Amounts introduced by members	704,506	-	704,506
Balance at 5 April 2016	153,471,842	(151,972,877)	1,498,965
Loss for the year available for discretionary division among members	-	(1,486,623)	(1,486,623)
Members' interests after profit for the year	153,471,842	(153,459,500)	12,342
Balance at 5 April 2017	153,471,842	(153,459,500)	12,342

FUTURE FUELS NO.1 LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

1. General information

Fuels Fuels No.1 LLP is a limited liability partnership incorporated in the United Kingdom. The registered office is 27/28 Eastcastle Street, London, W1W 8DH.

The principal activity during the year continued to be that of exploitation of land and property interests in the United Kingdom and Overseas.

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 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The following principal accounting policies have been applied:

2.2 Going concern

The LLP no longer expects to be able to complete its main plant development project, but continues to manage its land and seek income from its assets while it determines its future activity. It has certain contingent liabilities set out in note 10 below. In addition, certain liabilities noted in the accounts may crystallise earlier than expected, and finally, the cost of ongoing disputes with HM Revenue & Customs, if not funded by members, may also require significant cash outgoings for which funds are not readily available, despite the existence of assets sufficient to cover known liabilities. These factors, along with the contingent liabilities set out in note 10, may, if they all crystallise simultaneously, render it impossible for the LLP to continue. However, the Designated Members consider that there is currently good reason to assume that the LLP will not suffer these liabilities in a manner such that they cannot be paid, and the Designated Members are taking actions to minimise the possibility of that eventuality. As such, the Designated Members consider it appropriate that the going concern basis be applied.

2.3 Revenue

Turnover comprises revenue recognised by the LLP in respect of rental income received during the year:

2.4 Intangible assets

Intangible fixed assets are stated at cost less amortisation. Individual assets are amortised to the profit and loss account over their estimated economic life.

FUTURE FUELS NO.1 LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Plant & machinery	- 5% straight line
Assets in the course of construction	- see below

Assets in the course of construction are not depreciated until they are brought into use. Once the assets have been brought in to use they are reclassified and depreciated in line with the remaining assets of the LLP.

2.6 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet 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 balance sheet 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 Valuation of investments

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

2.8 Financial instruments

The LLP only enters into basic financial instruments 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 non-puttable ordinary shares.

2.9 Taxation

The taxation payable on the partnership profits is the personal liability of the members during the year and consequently neither taxation nor related deferred taxation are accounted for in the financial statements.

Amounts retained for tax are treated in the same way as other profits of the partnership and are so included in "Members' interests" or in "Loans and other debts due to members" depending on whether or not division of profits has occurred.

FUTURE FUELS NO.1 LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

2. Accounting policies (continued)

2.10 Members' capital

The financial statements have been prepared in accordance with the requirements of FRS 102 as applied to limited liability partnerships by the applicable SORP. Since the profits of the limited liability partnership are, under the terms of the LLP Agreement, distributed at the discretion of the LLP, FRS 102 requires members' capital to be disclosed as equity.

2.11 Members' remuneration

Members' remuneration is any outflow of benefits to a member. Where the payment of any remuneration is not at the discretion of the limited liability partnership, this is charged to the profit and loss account as an expense.

2.12 Foreign currency translation

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.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the LLP a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the LLP becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

3. Employees

There were no employees during the year.

FUTURE FUELS NO.1 LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2017**

4. Information in relation to members

	2017 Number 2017 £	2016 Number 2016 £
The members remuneration during the year was	(1,486,623)	(9,954,939)

5. Intangible assets

	Software licences £
Cost	
At 6 April 2016	180
At 5 April 2017	180
Amortisation	
At 6 April 2016	180
At 5 April 2017	180
Net book value	
At 5 April 2017	-
At 5 April 2016	-

FUTURE FUELS NO.1 LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2017**

6. Tangible fixed assets

	Freehold land £	Assets in the course of construction £	Total £
Cost or valuation			
At 6 April 2016	5,600,000	18,127,322	23,727,322
At 5 April 2017	5,600,000	18,127,322	23,727,322
Depreciation			
At 6 April 2016	-	18,127,322	18,127,322
At 5 April 2017	-	18,127,322	18,127,322
Net book value			
At 5 April 2017	5,600,000	-	5,600,000
At 5 April 2016	5,600,000	-	5,600,000

Assets in the course of construction has been fully impaired on the grounds that the designated members now consider it unlikely that they will ever be completed and brought into use. The consequence of this are set out in note 10, Contingent Liabilities.

FUTURE FUELS NO.1 LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

7. Fixed asset investments

	Other fixed asset investments £
Cost or valuation	
At 6 April 2016	9,104,806
At 5 April 2017	<u>9,104,806</u>
Impairment	
At 6 April 2016	9,104,805
At 5 April 2017	<u>9,104,805</u>
Net book value	
At 5 April 2017	<u><u>1</u></u>
At 5 April 2016	<u><u>1</u></u>

8. Debtors

	2017 £	2016 £
Other debtors	26,158,463	11,958,819
Prepayments and accrued income	1,454,743	1,432,558
	<u><u>27,613,206</u></u>	<u><u>13,391,377</u></u>

Included in debtors is the sum of £26,147,851 due from Vireol Limited, a Related Party (note 12). Although it is not expected that this sum will be recovered in cash, the asset is considered to be fully recoverable by way of offset against an equal sum due from the LLP to Vireol Limited, included in "Other loans" and "Other creditors" in note 9, as well as the provision for interest of £14,039,063. There is no contractual right of offset, and consequently, the two sums have not been netted off, but recovery of the debtor and settlement of the liability is expected to be resolved in that way.

FUTURE FUELS NO.1 LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

9. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	86	-
Other loans	8,978,013	16,310,510
Trade creditors	129,624	362,419
Other creditors	10,054,080	940,262
	<u>19,161,803</u>	<u>17,613,191</u>

Other loans include an amount of £4,583,799, the payment of which is to be dealt with by way of offset as set out in note 8, along with further sums totalling £4,572,066 classified as "Other creditors". Because there is no contractual right of offset, the amounts are included in full pending agreement from the counter-party.

10. Contingent liabilities

The LLP is engaged in ongoing activity, including activity related to defending the Members in connection with possible claims by HM Revenue & Customs ("HMRC"). Costs suffered by the LLP are charged to the profit and loss account as they arise to the extent that they are payable by the LLP. The full costs of these matters cannot be ascertained with any degree of certainty, as they depend of the actions taken by HMRC, and consequently, no provision has been made in respect of such costs.

FUTURE FUELS NO.1 LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

11. Related party transactions

Future Capital Partners ('FCP') Limited, Future Capital Partners (FS) Limited ('FCPFS'), Future Capital Project Finance Limited ('FCPF'), Cocoon Investments Limited ('Cocoon'), Cocoon Investment Holdings Limited ('CIHL'), Ethanol Ventures Limited ('EVL') and Vireol Limited ('Vireol') are related parties of the LLP by virtue of T Levy being a common director of each of these entities and to the Designated Members.

During the prior year, FCP issued a short term loan to the LLP. In the year, interest and charges relating to the loan amounted to £nil (2016 - £848,235).

In April 2015 the Consultancy Agreement with FCP was transferred to Cocoon. During the period, consultancy fees prepaid in previous periods of £nil (2016 - £2,123,886) were expensed to the profit and loss account. In addition, loan note fees of £nil (2016: £3,659) were charged by FCP in the period. As at the year end, the LLP owed FCP £nil (2016 - £nil) in relation to these fees. In addition Cocoon charged the LLP support fees of £nil (2016 - £923,199) in respect of recharged expenses, and loan note fees of £nil (2016 - £88,724).

During the year, Cocoon charged the LLP operator fees of £694,524 (2016 - £1,935,863), of which £nil (2016 - £nil) were outstanding at the balance sheet date.

FCPF previously provided a short term loan to the LLP. At the balance sheet date amounts due to FCPF were considered to be £nil (2016 - £nil). During the year, interest and charges relating to the loan amounted to £nil (2016 - £848,235).

During the prior period, the LLP paid EVL £70,560 in exchange for the assignment of debt totalling £14,111,907 due from Vireol. In addition, the LLP paid CIHL £60,180 in exchange for the assignment of debt totalling £12,035,943 due from Vireol. A significant amount of this debt was written off as a bad debt in the prior period, the result being that a debtor of £12,108,788 (2016: £11,923,662) is shown as due from Vireol as at the balance sheet date.

During the year, the LLP loaned Vireol Bio Energy LLC, related due to T Levy being a director of its parent, additional sums totalling £nil (2016 - £8,704,850). This balance was written off in the prior year. At the balance sheet date amounts due from Vireol Bio Energy LLC were £nil.

12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.