

Company Registration No. 07165721 (England and Wales)

SYNERGEN GROUP LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017
PAGES FOR FILING WITH REGISTRAR

SYNERGEN GROUP LTD

COMPANY INFORMATION

Director	M E Farren
Company number	07165721
Registered office	Synergen House Station Road Warboys Huntingdon Cambs PE28 2TX
Accountants	Kinnaird Hill Montagu House 81 High Street Huntingdon Cambs PE29 3NY

SYNERGEN GROUP LTD

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SYNERGEN GROUP LTD

INDEPENDENT CHARTERED CERTIFIED ACCOUNTANTS' REVIEW REPORT TO THE DIRECTOR OF SYNERGEN GROUP LTD

We have reviewed the financial statements of Synergen Group Ltd for the year ended 30 June 2017 set out on pages 3 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's director, as a body, in accordance with the terms of our engagement letter dated 12 November 2013. Our review has been undertaken so that we may state to the company's director those matters we have agreed with them in our engagement letter 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 director as a body for our work, for this report, or for the conclusions we have formed.

Director's responsibility for the financial statements

As explained more fully in the Director's Responsibilities Statement set out on page 1, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Accountants' responsibility

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements and ICAEW Technical Release TECH 09/13AAF Assurance review engagements on historical financial statements. ISRE 2400 also requires us to comply with ACCA Code of Ethics.

Scope of the assurance review

A review of financial statements in accordance with the ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 31 March 2017, and of its profit for the year ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice; and
- in accordance with the requirements of the Companies Act 2006.

Kinnaird Hill

28 March 2018

Chartered Certified Accountants

Montagu House
81 High Street
Huntingdon
Cambs
PE29 3NY

SYNERGEN GROUP LTD

BALANCE SHEET

AS AT 30 JUNE 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4	1,906,556		1,917,415	
Investments	5	783,375		759,435	
		<u>2,689,931</u>		<u>2,676,850</u>	
Current assets					
Debtors	7	342,682		342,304	
Cash at bank and in hand		4,124		3,649	
		<u>346,806</u>		<u>345,953</u>	
Creditors: amounts falling due within one year	8	<u>(799,533)</u>		<u>(809,188)</u>	
Net current liabilities			<u>(452,727)</u>		<u>(463,235)</u>
Total assets less current liabilities			2,237,204		2,213,615
Creditors: amounts falling due after more than one year	9		(328,678)		(352,082)
Provisions for liabilities			<u>(325,917)</u>		<u>(344,833)</u>
Net assets			<u>1,582,609</u>		<u>1,516,700</u>
Capital and reserves					
Called up share capital	10		1		1
Revaluation reserve	11		1,543,462		1,500,641
Profit and loss reserves			39,146		16,058
Total equity			<u>1,582,609</u>		<u>1,516,700</u>

The director of the company have elected not to include a copy of the profit and loss account within the financial statements.

SYNERGEN GROUP LTD

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2017

For the financial year ended 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and signed by the director and authorised for issue on 28 March 2018

M E Farren
Director

Company Registration No. 07165721

SYNERGEN GROUP LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

	Share capital	Revaluation reserves	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 July 2015	1	1,846,321	3,189	1,849,511
Effect of transition to FRS 102	-	(352,342)	-	(352,342)
As restated	1	1,493,979	3,189	1,497,169
Year ended 30 June 2016:				
Profit for the year	-	-	37,869	37,869
Other comprehensive income:				
Tax relating to other comprehensive income	-	6,662	-	6,662
Total comprehensive income for the year	-	6,662	37,869	44,531
Dividends	-	-	(25,000)	(25,000)
Balance at 30 June 2016	1	1,500,641	16,058	1,516,700
Year ended 30 June 2017:				
Profit for the year	-	-	31,088	31,088
Other comprehensive income:				
Tax relating to other comprehensive income	-	18,881	-	18,881
Total comprehensive income for the year	-	18,881	31,088	49,969
Dividends	-	-	(8,000)	(8,000)
Other movements	-	23,940	-	23,940
Balance at 30 June 2017	1	1,543,462	39,146	1,582,609

SYNERGEN GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

Company information

Synergen Group Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Synergen House, Station Road, Warboys, Huntingdon, Cambs, PE28 2TX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 June 2017 are the first financial statements of Synergen Group Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 July 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 15.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

SYNERGEN GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2% of cost of buildings per annum
Plant and machinery	25% of cost per annum
Fixtures, fittings & equipment	25% of cost per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed to profit or loss as incurred. Changes in fair value are recognised in other comprehensive income and accumulated in equity, except to the extent that a gain reverses a loss previously recognised in profit or loss, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

SYNERGEN GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

SYNERGEN GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2016 - 2).

SYNERGEN GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 July 2016 and 30 June 2017	1,331,047
Amortisation and impairment	
At 1 July 2016 and 30 June 2017	1,331,047
Carrying amount	
At 30 June 2017	-
At 30 June 2016	-

4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost or valuation			
At 1 July 2016 and 30 June 2017	1,931,775	142,419	2,074,194
Depreciation and impairment			
At 1 July 2016	18,006	138,773	156,779
Depreciation charged in the year	9,036	1,823	10,859
At 30 June 2017	27,042	140,596	167,638
Carrying amount			
At 30 June 2017	1,904,733	1,823	1,906,556
At 30 June 2016	1,913,769	3,646	1,917,415

The freehold land was revalued in 2013, based on valuation as to the market value carried out by GVA Grimley Ltd, a commercial property specialist, in May 2013. The director has considered the valuation at the balance sheet date without revaluing, and is satisfied that the valuation is not less than the amount at which the assets are stated.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2017 £	2016 £
Cost	751,775	751,775
Accumulated depreciation	(27,042)	(18,006)
Carrying value	724,733	733,769

SYNERGEN GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

4 Tangible fixed assets

(Continued)

The assets of the company have been pledged to secure the borrowings of the group. Please refer to note 13.

5 Fixed asset investments

	2017 £	2016 £
Investments	783,375	759,435

The value of investments has been estimated by the directors based on the capital and reserves of the subsidiary concerned adjusted for the lack of an active market which is believed to be an appropriate basis to determine the value of an investment where there is not an active market.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 July 2016	759,435
Valuation changes	23,940
At 30 June 2017	783,375
Carrying amount	
At 30 June 2017	783,375
At 30 June 2016	759,435

6 Subsidiaries

Details of the company's subsidiaries at 30 June 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Woodford Recycling Services Ltd	Synergen House, Station Road, Warboys, Huntingdon, PE28 0TX, England	Waste management	Ordinary	100.00
Woodford Waste Management Services Ltd	As above	Waste management and landfill	Ordinary	100.00

SYNERGEN GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

6 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Woodford Recycling Services Ltd	75,722	523,697
Woodford Waste Management Services Ltd	(199,712)	397,922

7 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Amounts owed by group undertakings	342,154	342,154
Other debtors	528	150
	<u>342,682</u>	<u>342,304</u>

8 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts		23,200	23,722
Trade creditors		1,833	1,476
Amounts due to group undertakings		765,925	754,175
Corporation tax		-	10,918
Other taxation and social security		4,830	14,702
Other creditors		-	168
Accruals and deferred income		3,745	4,027
		<u>799,533</u>	<u>809,188</u>

9 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Bank loans and overdrafts		328,678	352,082
		<u>328,678</u>	<u>352,082</u>

SYNERGEN GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

10 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
1 Ordinary shares of £1 each	1	1
	1	1

11 Revaluation reserve

The revaluation reserve contains the revaluation of freehold land in May 2013 £1,180,000 and associated deferred tax of £201,329 and the revaluation of the investment in subsidiary undertakings of £690,261 (2016 £666,321) and associated deferred tax of £125,470.

12 Financial commitments, guarantees and contingent liabilities

There is an unlimited intercompany guarantee between Synergen Group Limited, Woodford Waste Management Limited, and Woodford Recycling Services Limited, held by the group's bankers. Total relevant borrowing for the group at the balance sheet date is £1,074,431 (2016 £932,161).

13 Related party transactions

The company has taken advantage the exemption available under FRS102.33 1A not to disclose transactions entered into between two or more members of a group, as the companies transacted with are wholly owned subsidiary undertakings of the group to which it is party to the transactions.

14 Directors' transactions

Dividends totalling £8,000 (2016 - £25,000) were paid in the year in respect of shares held by the company's directors.

There is a personal guarantee from the director, M E Farren, in the sum of £50,000 for the obligations of the Synergen Group Ltd, Woodford Waste Management Ltd and Woodford Recycling Services Ltd to their bankers.

SYNERGEN GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

15 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 July 2015 £	30 June 2016 £
Equity as reported under previous UK GAAP		1,849,511	1,862,380
Adjustments arising from transition to FRS 102:			
Deferred taxation on revalued assets	1	(352,342)	(345,680)
Equity reported under FRS 102		<u>1,497,169</u>	<u>1,516,700</u>

Reconciliation of profit for the financial period

		2016 £
Profit as reported under previous UK GAAP and under FRS 102		37,869
Deferred taxation on revalued assets	1	<u>-</u>

Notes to reconciliations on adoption of FRS 102

Deferred taxation on revalued assets

Deferred taxation of 2016 £217,556 (2015 £223,846) has been provided for on the revaluation of land and buildings on transition to FRS 102.

Deferred taxation of £128,124 for 2016 (2015 £128,496) has been provided for on the revaluation of investments in subsidiaries on transition to FRS 102.

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.