Company Registration No. 07165721 (England and Wales)

SYNERGEN GROUP LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

PAGES FOR FILING WITH REGISTRAR

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 2018 set out on pages 3 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdon Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdon 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

19 February 2019

Chartered Certified Accountants

Montagu House
81 High Street
Huntingdon
Cambs
PE29 3NY

SYNERGEN GROUP LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	2018 £	2017 £
Profit for the year	29,335	31,088
Other comprehensive income		
Revaluation of tangible fixed assets	(20,426)	23,940
Tax relating to other comprehensive income	9,542	18,881
Other comprehensive income for the year	(10,884)	42,821
Total comprehensive income for the year	18,451	73,909

SYNERGEN GROUP LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Share capital	Revaluation reserve	Profit and loss reserves	Total
		£	£	£	£
Balance at 1 July 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:					
Revaluation of tangible fixed assets		-	23,940	-	23,940
Tax relating to other comprehensive income		-	18,881	-	18,881
Total comprehensive income for the year		-	42,821	31,088	73,909
Dividends		-	-	(8,000)	(8,000)
Balance at 30 June 2017		1	1,543,462	39,146	1,582,609
Year ended 30 June 2018:					
Profit for the year		-	-	29,335	29,335
Other comprehensive income:					
Revaluation of tangible fixed assets		-	(20,426)	-	(20,426)
Tax relating to other comprehensive income		-	9,542	-	9,542
Total comprehensive income for the year		-	(10,884)	29,335	18,451
Dividends		-	-	(10,000)	(10,000)
Balance at 30 June 2018		1	1,532,578	58,481	1,591,060

SYNERGEN GROUP LTD

BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	**4**		1,895,707		1,906,556
Investments	**5**		762,949		783,375
			2,658,656		2,689,931
Current assets					
Debtors	**6**	344,115		342,682	
Cash at bank and in hand		3,977		4,124	
		348,092		346,806	
Creditors: amounts falling due within one year	**7**	(797,349)		(799,533)	
Net current liabilities			(449,257)		(452,727)
Total assets less current liabilities			2,209,399		2,237,204
Creditors: amounts falling due after more than one year	**8**		(302,087)		(328,678)
Provisions for liabilities			(316,252)		(325,917)
Net assets			1,591,060		1,582,609
Capital and reserves					
Called up share capital	**9**		1		1
Revaluation reserve	**10**		1,532,578		1,543,462
Profit and loss reserves			58,481		39,146
Total equity			1,591,060		1,582,609

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

For the financial year ended 30 June 2018 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 Companies Act 2006 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.

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2018

The financial statements were approved and signed by the director and authorised for issue on 19 February 2019

M E Farren
Director

Company Registration No. 07165721

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 a mounts 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.

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 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life. This has now been exceeded the goodwill has therefore been fully amortised.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1 Accounting policies **(Continued)**

1.4 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.

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.

1.5 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.

1.6 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.

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.

1.7 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.

1.8 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.

1 Accounting policies **(Continued)**

1.9 Equity instruments

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

1.10 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.

1.11 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.

1.12 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 (2017 - 2).

3 **Intangible fixed assets**

	Goodwill
	£
Cost	
At 1 July 2017	1,331,047
Disposals	(1,331,047)
At 30 June 2018	-
Amortisation and impairment	
At 1 July 2017	1,331,047
Disposals	(1,331,047)
At 30 June 2018	-
Carrying amount	
At 30 June 2018	-
At 30 June 2017	-

4 **Tangible fixed assets**

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost or valuation			
At 1 July 2017 and 30 June 2018	1,931,775	142,419	2,074,194
Depreciation and impairment			
At 1 July 2017	27,042	140,596	167,638
Depreciation charged in the year	9,036	1,813	10,849
At 30 June 2018	36,078	142,409	178,487
Carrying amount			
At 30 June 2018	1,895,697	10	1,895,707
At 30 June 2017	1,904,733	1,823	1,906,556

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.

4 Tangible fixed assets **(Continued)**

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:

	2018	2017
	£	£
Cost	751,775	751,775
Accumulated depreciation	(36,078)	(27,042)
Carrying value	715,697	724,733

The assets of the company have been pledged to secure the borrowings of the group. Please refer to note 11.

5 Fixed asset investments

	2018	2017
	£	£
Investments	762,949	783,375

Fixed asset investments not carried at market value

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 2017	783,375
Valuation changes	(20,426)
At 30 June 2018	762,949
Carrying amount	
At 30 June 2018	762,949
At 30 June 2017	783,375

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been £93,114

6 Debtors

	2018	2017
Amounts falling due within one year:	**£**	**£**
Amounts owed by group undertakings	343,154	342,154
Other debtors	961	528
	344,115	342,682

7 Creditors: amounts falling due within one year

	Notes	2018	2017
		£	**£**
Bank loans and overdrafts		25,000	23,200
Trade creditors		3,199	1,833
Amounts owed to group undertakings		762,925	765,925
Other taxation and social security		4,350	4,830
Accruals and deferred income		1,875	3,745
		797,349	799,533

8 Creditors: amounts falling due after more than one year

	Notes	2018	2017
		£	**£**
Bank loans and overdrafts		302,087	328,678

9 Called up share capital

	2018	2017
	£	**£**
Ordinary share capital		
Issued and fully paid		
1 Ordinary shares of £1 each	1	1
	1	1

10 Revaluation reserve

The revaluation reserve contains the revaluation of freehold land in May 2013 £1,180,000 and associated deferred tax of £196,163 (2017 £201,329) and the revaluation of the investment in subsidiary undertakings of £669,835 (2017 £690,261) and associated deferred tax of £121,094 (2017 £125,470)

11 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 £1,030,806 (2017 £1,074.431).

12 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 company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

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.

13 Directors' transactions

Dividends totalling £10,000 (2017 - £8,000) were paid in the year in respect of shares held by the company's directors.

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.