

AGRIVERT (WEST LONDON) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

TUESDAY



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COMPANIES HOUSE

AGRIVERT (WEST LONDON) LIMITED

COMPANY INFORMATION

Directors	R B A Maddan P J Earl H G Waters
Registered number	08308321
Registered office	The Stables Radford CHIPPING NORTON Oxon OX7 4EB
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 3140 Rowan Place John Smith Drive Oxford Business Park South OXFORD OX4 2WB

AGRIVERT (WEST LONDON) LIMITED

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AGRIVERT (WEST LONDON) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of the Company is the operation of an anaerobic digestion facility used for the processing and recycling of waste.

Results

The profit for the year, after taxation, amounted to £90,131 (2016: loss £388,962).

In the full year ended 31 December 2017, Agrivert (West London) Limited generated operating profit before depreciation and amortisation of £1.5m on turnover of £4.0m. For 2016 operating profit before depreciation and amortisation was £1.5m on turnover of £3.9m.

Directors

The directors who served during the year were:

R B A Maddan
P J Earl
H G Waters

Directors' Responsibilities Statement

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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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.

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

AGRIVERT (WEST LONDON) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Disclosure of information to auditor

The directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27 July 2018 and signed on its behalf.


P J Earl
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRIVERT (WEST LONDON) LIMITED

Opinion

We have audited the financial statements of Agrivert (West London) Limited (the 'company') for the year ended 31 December 2017, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRIVERT (WEST LONDON) LIMITED
(CONTINUED)**

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report by the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRIVERT (WEST LONDON) LIMITED
(CONTINUED)**

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Grant Thornton UK LLP

Pinkesh Patel (Senior Statutory Auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

OXFORD

Date: 27/7/2018

AGRIVERT (WEST LONDON) LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover	4	3,971,468	3,947,830
Cost of sales		(1,466,221)	(1,421,369)
Gross profit		2,505,247	2,526,461
Administrative expenses		(1,050,598)	(1,062,669)
Operating profit before depreciation and amortisation	5	1,454,649	1,463,792
Depreciation of tangibles	5	(487,075)	(724,340)
Profit on sale of assets	5	16,000	-
Total operating profit		983,574	739,452
Interest payable and expenses	8	(993,372)	(1,005,000)
Loss before tax		(9,798)	(265,548)
Tax on loss		99,929	(123,414)
Profit/(loss) after tax		90,131	(388,962)
Retained earnings at the beginning of the year		(2,006,564)	(1,617,602)
Profit/(loss) for the year		90,131	(388,962)
Retained earnings at the end of the year		(1,916,433)	(2,006,564)

There were no recognised gains and losses for 2017 or 2016 other than those included in the Statement of Income and Retained Earnings.

The notes on pages 8 to 19 form part of these financial statements.

AGRIVERT (WEST LONDON) LIMITED
REGISTERED NUMBER:08308321

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	8,820,250	9,203,449
		<u>8,820,250</u>	<u>9,203,449</u>
Current assets			
Stocks	10	65,854	73,261
Debtors: amounts falling due within one year	11	877,652	2,360,576
Cash at bank and in hand	12	242,872	995,819
		<u>1,186,378</u>	<u>3,429,656</u>
Creditors: amounts falling due within one year	13	(970,551)	(768,052)
Net current assets		<u>215,827</u>	<u>2,661,604</u>
Total assets less current liabilities		<u>9,036,077</u>	<u>11,865,053</u>
Creditors: amounts falling due after more than one year	14	(10,880,502)	(13,699,680)
Provisions for liabilities			
Deferred tax	16	(71,908)	(171,837)
		<u>(71,908)</u>	<u>(171,837)</u>
Net liabilities		<u>(1,916,333)</u>	<u>(2,006,464)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(1,916,433)	(2,006,564)
		<u>(1,916,333)</u>	<u>(2,006,464)</u>

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 were approved and authorised for issue by the board and were signed on its behalf on



P J Earl
Director

27/7/2018

The notes on pages 8 to 19 form part of these financial statements.

AGRIVERT (WEST LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Agrivert West London Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at The Stables, Radford, Chipping Norton, Oxon, OX7 4EB.

Registration number 08308321.

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 judgement in applying the Company's accounting policies (see note 3).

The functional and presentational currency of the Company is Sterling (£).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements are prepared on the going concern basis. In assessing whether the going concern assumption is appropriate, the directors have taken into account all the relevant available information about the future trading including profit and cash position. The directors consider it appropriate to adopt the going concern basis of accounting in the preparation of the annual financial statements.

2.3 Turnover

Turnover comprises revenue recognised by the Company in respect of services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover comprises the following main income streams:

Waste processing

Revenue is recognised when waste is accepted at the Company's processing site, in accordance with contractual agreements.

Electricity generation

Revenue is recognised based on the energy generated during the period.

AGRIVERT (WEST LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets are recorded under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. Repairs and maintenance are charged to the Statement of Income and Retained Earnings during the period in which they are incurred.

Depreciation is provided on the following basis:

Plant and machinery*	- 2 - 21 years straight line
Motor vehicles	- 5 years straight line
Office equipment	- 3 years straight line

*Refer to note 3. Judgements in applying accounting policies and key sources of estimation uncertainty for change in the useful economic life.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets.

Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives.

Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Income and Retained Earnings account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the period of the lease.

AGRIVERT (WEST LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.7 Stocks

Stock represents consumables and spare parts, and is initially recorded at cost on a first-in first-out basis, with due allowances made for obsolete items, such that the carrying value is the lower of cost and net realisable value.

2.8 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.

2.9 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.

2.10 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.

2.11 Financial instruments

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.

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 of the recoverable amount, 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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

AGRIVERT (WEST LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.12 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

2.13 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company 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 Income and Retained Earnings in the year that the Company 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.

AGRIVERT (WEST LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 .

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.

AGRIVERT (WEST LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in the Statement of Income and Retained Earnings, when, and if, better information is obtained.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment within the next financial year are included below.

Critical judgements that management have made in the process of applying accounting policies disclosed here and that have a significant effect on the amounts recognised in the financial statements relate to the following:

Useful lives of depreciable assets:

Change of useful economic life

Following an annual review by management of the useful economic life of its assets, Agrivert considers that the life of its anaerobic digestion plants is considerably longer than 20 years, the period originally used to write off capital investments. As such, the depreciation period has been revised and the remaining net book value (as at 1 January 2017) of the original plant construction cost is now being written off over the period until the end of the lease for the land on which the plant is built (that being a legal limit on the time period the asset can be used for). The construction methods, maintenance regimes and likely availability of feedstocks to supply the facilities provide confidence that such an adjustment to useful economic life is valid.

Effect of change on NBV and depreciation charge of fixed assets:

Plant and machinery

Certain elements of plant and machinery had a remaining useful economic life of 7-17 years as at 31 December 2016; effective 1 January 2017 this has been extended to 21 years.

The 31 December 2017 NBV of plant and machinery would have been £8,587,657, under the previous useful life assessment; under the revised useful economic life assessment the 31 December 2017 NBV is £8,814,826.

The plant and machinery depreciation charge for the year ended 31 December 2017 would have been £713,543 under the previous useful life assessment; under the revised useful economic life assessment the charge for the year ended 31 December 2017 is £486,374.

AGRIVERT (WEST LONDON) LIMITED

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

4. Turnover

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Waste processing	896,557	969,642
Electricity generation	3,074,911	2,978,188
	<u>3,971,468</u>	<u>3,947,830</u>

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	486,374	724,340
Depreciation of assets under finance lease	615	-
Operating leases	74,553	70,600
Defined contribution pension cost	1,214	777
Profit on disposal of fixed asset	16,000	-
	<u>778,856</u>	<u>1,505,717</u>

6. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	7,202	7,202

Details of amounts paid to the auditor in respect of non-audit services are disclosed in the accounts of Agrivert Holdings Limited.

7. Employees

During the year, no Director received any emoluments (2016: £Nil). All Directors are remunerated through Agrivert Limited.

The average monthly number of employees, excluding directors, during the year was 3 (2016: 3).

AGRIVERT (WEST LONDON) LIMITED

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

8. Interest payable and similar charges

	2017 £	2016 £
Interest payable to group undertakings	993,121	1,005,000
Finance leases and hire purchase contracts	251	-
	<u>993,372</u>	<u>1,005,000</u>

9. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
Cost or valuation				
At 1 January 2017	11,308,940	-	-	11,308,940
Additions	122,501	9,942	955	133,398
Disposals	(62,104)	(5,270)	-	(67,374)
At 31 December 2017	<u>11,369,337</u>	<u>4,672</u>	<u>955</u>	<u>11,374,964</u>
Depreciation				
At 1 January 2017	2,105,491	-	-	2,105,491
Charge for the year	486,374	639	62	487,075
Disposals	(37,354)	(498)	-	(37,852)
At 31 December 2017	<u>2,554,511</u>	<u>141</u>	<u>62</u>	<u>2,554,714</u>
Net book value				
At 31 December 2017	<u>8,814,826</u>	<u>4,531</u>	<u>893</u>	<u>8,820,250</u>
At 31 December 2016	<u>9,203,449</u>	<u>-</u>	<u>-</u>	<u>9,203,449</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	<u>63,439</u>	<u>-</u>

AGRIVERT (WEST LONDON) LIMITED

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

9. Tangible fixed assets (continued)

The depreciation charge of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	<u>615</u>	<u>-</u>

10. Stocks

	2017 £	2016 £
Consumables	<u>65,854</u>	<u>73,261</u>

11. Debtors

	2017 £	2016 £
Trade debtors	129,531	101,334
Amounts owed by group undertakings	89,729	1,446,836
Other debtors	28,081	3,773
Prepayments and accrued income	630,311	808,633
	<u>877,652</u>	<u>2,360,576</u>

12. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>242,872</u>	<u>995,819</u>

AGRIVERT (WEST LONDON) LIMITED

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

13. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	172,057	102,829
Amounts owed to group undertakings	183,100	219,317
Obligations under finance lease and hire purchase contracts	7,185	-
Accruals and deferred income	608,209	445,906
	<u>970,551</u>	<u>768,052</u>

14. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	31,571	-
Amounts owed to group undertakings	10,848,931	13,699,680
	<u>10,880,502</u>	<u>13,699,680</u>

Amounts owed to group undertakings falling due after more than one year is not repayable on demand, has no fixed repayment date and attract interest of 7.95% pa.

15. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	7,185	-
Between 1-5 years	31,571	-
	<u>38,756</u>	<u>-</u>

AGRIVERT (WEST LONDON) LIMITED

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

16. Deferred taxation

	2017 £	2016 £
At beginning of year	(171,837)	(48,423)
Charged to the profit or loss	99,929	(123,414)
At end of year	(71,908)	(171,837)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(71,908)	(419,213)
Tax losses carried forward	-	247,376
	(71,908)	(171,837)

17. Contingent liabilities

The Company is party to a cross guarantee in respect of borrowings of the immediate parent company Agrivert Biogas Limited. Agrivert Biogas Limited has borrowings of £60,543,533 (2016: £61,805,446) as at 31 December 2017 relating to a facility of £62.5m with GCP Biomass 5 Limited, due for repayment by November 2032. This loan is secured by a fixed and floating charge over all of the property or undertaking of the Company, as well as a charge over the leasehold land at Trumps Farm, Kitsmead Lane, Longcross, Chertsey, Surrey.

18. Capital commitments

The Company had no capital commitments at 31 December 2017 or 31 December 2016.

19. Pension commitments

Pension costs charged to the Statement of Income and Retained Earnings during the year amounted to £1,214 (2016: £777). As at 31 December 2017 the total amount owing by the Company in relation to pension contributions was £Nil (2016: £Nil).

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20. Commitments under operating leases

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	70,600	70,600
Later than 1 year and not later than 5 years	277,456	268,145
Later than 5 years	742,818	766,344
	<u>1,090,874</u>	<u>1,105,089</u>

The amounts above include a property lease which has inflationary increase clauses linked to RPI and rental charges directly related to revenue generated from or tonnages processed at the plant, the latter of which has been excluded from the amounts disclosed above in accordance with FRS 102.

21. Related party transactions

There are no related party transactions which are required to be disclosed under FRS 102 section 33.1A.

22. Ultimate parent undertaking and controlling party

The Directors consider that Agrivert Biogas Limited is the Company's immediate parent undertaking for the current financial year. The ultimate parent company is Agrivert Holdings Limited, for which the consolidated accounts are publicly available.

Agrivert Holdings Limited is incorporated in England and Wales. Its registered head office is at The Stables, Radford, Chipping Norton, Oxfordshire, OX7 4EB.

The Directors consider the ultimate controlling party is Highland Trust, by virtue of its 100% ownership of Green Renewable Energy Limited, which owns 58% of Agrivert Holdings Limited.