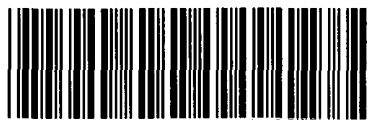


Anaerobic Advantage Limited

Annual Report and Financial Statements For the Year Ended 31 December 2016

Registration number: 09398021

FRIDAY



A6G0DDJC

A53

29/09/2017

#258

COMPANIES HOUSE

Anaerobic Advantage Limited

Annual report and financial statements for the year ended 31 December 2016

	Page
Directors and advisors	1
Directors' report	2
Statement of Directors' responsibilities	4
Profit and loss account for the year ended 31 December 2016.....	5
Balance sheet as at 31 December 2016.....	6
Notes to the financial statements for the year ended 31 December 2016	7

Anaerobic Advantage Limited

Directors and advisors

Directors

J Reid
J Graham
K Fitzduff
W Tobin

Registered office

89 King Street
Maidstone
Kent
ME14 1BG

Registered number

09398021

Anaerobic Advantage Limited

Registration number: 09398021

Directors' report

The directors present their annual report and financial statements for the year ended 31 December 2016.

Results, principal activities and review of the business

On 9th June 2016, the Company entered into a number of agreements in relation to the construction and operation of an Anaerobic Digestion ("AD") plant at Ballymena, Northern Ireland. Construction is underway led by the construction manager Xergi, and construction is expected to complete in April 2018.

The AD facility will be able to process circa 40,000 tonnes of agricultural and waste feedstock mainly consisting of chicken litter which will generate a total of 3.0 MW of power.

Dividends

No dividend was declared or paid for the financial period to 31 December 2016.

Principal risks and uncertainties, financial risk management and key performance indicators ('KPIs')

The directors manage the risks as part of the overall risk management framework for the Company. The directors have identified the following main risks facing the Company:

Financial risk

The company entered into a fixed price construction contract and also funded a contingency to ensure sufficient cash resources are available post the construction programme. The Company is closely monitoring the construction work and programme through the engagement of an independent technical advisor to certify that the construction programme is on target and completed within budget. The directors are satisfied that all of this is taking place.

Cash flow risk

The Company has been reliant on its shareholders for the supply of sufficient capital to complete the construction of the plant. The directors are satisfied that sufficient cash is available now and will continue to be during future operations.

Directors

The directors of the company during the year, and up to the date of signing the financial statements, are set out below:

J Reid

J Graham

K Fitzduff (Appointed 09 June 2016)

W Tobin (Appointed 09 June 2016)

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

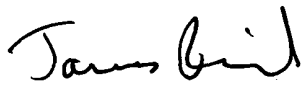
Going concern

The directors have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the company to continue as a going concern.

On the basis of their assessment of the company's financial position the directors have a reasonable expectation that the company will be able to continue for the foreseeable future.

Anaerobic Advantage Limited

By order of the board

A handwritten signature in black ink, appearing to read 'James Reid', written in a cursive style.

James Reid

Director

29 September 2017

Anaerobic Advantage Limited

Statement of Directors' responsibilities

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 of the company and of the 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; and
- 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.

Anaerobic Advantage Limited

Profit and loss account for the year ended 31 December 2016

	Note	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Income	2	265	-
Cost of sales		-	-
Gross profit		265	-
Administrative expenses	3	(659,032)	(500,213)
Interest payable		(147,331)	-
Interest receivable		170	1,704
Loss on ordinary activities before taxation		(805,928)	(498,509)
Tax on loss on ordinary activities	4	-	-
Loss for the financial year		(805,928)	(498,509)

The company has been engaged solely in continuing activities in a single class of business within the United Kingdom.

The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 7 to 11 form an integral part of these financial statements.

Anaerobic Advantage Limited

Balance sheet

as at 31 December 2016

	Note	31 December 2016	31 December 2015
		£	£
Fixed assets			
Tangible assets	5	11,007,857	-
Current assets			
Debtors	6	2,470,091	11,331
Cash at bank and in hand		3,717,046	4,415,225
		6,187,137	4,426,556
Current liabilities			
Creditors: amounts falling due within one year	7	(52,281)	-
Net current assets		6,134,856	4,426,556
Non-Current Liabilities			
Loans	8	(9,421,985)	-
Net assets		7,720,728	4,426,556
Capital and reserves			
Called up share capital	9,10	9,025,165	4,925,065
Profit and loss account	10	(1,304,437)	(498,509)
Total shareholder's funds	10	7,720,728	4,426,556

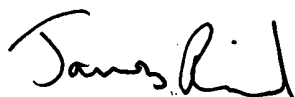
For the year ended 31 December 2016, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

These financial statements were approved by the board and authorised for issue on 29 September 2017. They were signed on its behalf by:



James Reid
Director

The notes on pages 7 to 11 form an integral part of these financial statements.

Anaerobic Advantage Limited

Notes to the financial statements for the year ended 31 December 2016

1 Principal accounting policies

A summary of the company's principal accounting policies, which have been consistently applied, is set out below:

Basis of preparation of financial statements

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard UK and Republic of Ireland" ("FRS102") and the requirements of the Companies Act 2006.

Going concern

The financial statements have been prepared on a going concern basis.

Income

Income, including interest receivable, is recognised on an accruals basis.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Interest receivable and other income

Other income such as interest receivable on loan notes is included on an accruals basis.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Fixed assets

Fixed assets preparation of the site for the construction of the plant and equipment together with the cost of construction and related fees for the management of the design and build process. Plant and equipment is included at cost less any depreciation incurred over a straight line basis, assets will not be depreciated until available for use in the generation process.

Cash flow statement

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that the company qualifies as a small company.

Anaerobic Advantage Limited
Notes to the financial statements for the year ended 31 December 2016 (continued)

2 Income

	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Solar power revenue	265	-

3 Administrative expenses

Included in Administrative expenses is the below:

	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Director fees (exclusive of VAT)	10,374	9,583

4 Tax on profit on ordinary activities

a) Analysis of tax for the period

	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Current tax		
UK corporation tax on loss in the year	-	-
Tax on loss on ordinary activities	-	-

Anaerobic Advantage Limited**Notes to the financial statements for the year ended 31 December 2016 (continued)****Tax on profit on ordinary activities (continued)****b) Factors affecting current tax charge**

The tax assessed for the period is the standard rate of corporation tax in the UK of 20%.

	Year ended 31 December 2016 £	Period ended 31 December 2015 £
Loss on ordinary activities before taxation	(805,928)	(498,509)
Tax at effective rate of 20%	(161,186)	(99,702)
Factors affecting charge:		
Losses c/f	161,186	99,702
Current tax charge for the year	-	-

c) Factors that may affect future tax charges

Further changes to the UK corporation tax rates were announced in the Chancellor's Budget on 8 July 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020.

As the changes had not been substantively enacted at the balance sheet date their effects are not included in these financial statements.

5 Tangible fixed assets

	Property, Plant and Equipment £	Transaction Costs £	Total £
Cost:			
at 01 January 2016	-	-	-
Additions	10,725,987	281,870	11,007,857
at 31 December 2016	10,725,987	281,870	11,007,857

Anaerobic Advantage Limited**Notes to the financial statements for the year ended 31 December 2016 (continued)****6 Debtors**

	31 December 2016	31 December 2015
Debtors amounts falling due within one year:	£	£
Accounts receivable	86	-
VAT	2,332,687	-
Prepayments	95,618	271
Other debtors	41,700	11,060
Total	2,470,091	11,331

7 Creditors

	31 December 2016	31 December 2015
Creditors amounts falling due within one year:	£	£
Accruals	5,300	-
Accounts Payable	46,981	-
Total	52,281	-

8 Loans

Shareholder loans are compounded quarterly and interest is charged at a rate of 10%.

	31 December 2016	31 December 2015
Creditors amounts falling due within one year:	£	£
Loans	9,421,985	-

9 Called up share capital

	31 December 2016	31 December 2015
	£	£
Allotted and fully paid		
7,525,065 Ordinary A Shares of £1 each	7,525,065	4,925,065
100 Ordinary B Shares of £1 each	100	-
1,500,000 Ordinary B Shares of £1 each	1,500,000	-
Total	9,025,165	4,925,065

Anaerobic Advantage Limited
Notes to the financial statements for the year ended 31 December 2016 (continued)

10 Reconciliation of movements in shareholders' funds

	Called up Share capital	Profit and loss account	Total Shareholders' funds
	£	£	£
At 01 January 2016	4,925,065	(498,509)	4,426,556
Share issue	4,100,100		4,100,100
Loss for the financial year	-	(805,928)	(805,928)
At 31 December 2016	9,025,165	(1,304,437)	7,720,728

11 Ultimate controlling party

The directors consider that there is no ultimate controlling party.

12 Related party transactions

Transactions between the Company and its shareholders are required to be disclosed as related party transactions. The Company has shareholder loans as follows:

	Interest accrued during the year ended 31 December 2016	Interest outstanding at 31 December 2016	Principal amount outstanding at 31 December 2016
	£	£	£
Loans			
Recycling & Waste LP	73,665	-	4,710,992
Invest NI	73,666	-	4,710,993
Total	147,331	-	9,421,985

Transactions with Foresight Group LLP were as follows for management, secretarial and operational fees:

	Amount
	£
Fees to Foresight Group LLP	133,531