Registered number: 09860962

FAIRFIELDS FARM ENERGY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION TO 31 DECEMBER 2016

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FAIRFIELDS FARM ENERGY LIMITED

COMPANY INFORMATION

Directors	R Castiglioni (appointed 18 December 2015) I Sheikh (appointed 18 December 2015) S Speight (appointed 18 December 2015)
Company secretaries	S Cruickshank J Wright
Registered number	09860962
Registered office	15 Golden Square London W1F 9JG
Independent auditors	Shipleys LLP Chartered Accountants and Statutory Auditor 10 Orange Street Haymarket London WC2H 7DQ
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP

FAIRFIELDS FARM ENERGY LIMITED

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FAIRFIELDS FARM ENERGY LIMITED

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2016

The directors present their report and the financial statements of Fairfields Farm Energy Limited ("the Company") for the period from incorporation on 6 November 2015 to 31 December 2016.

Principal activity and place of business

The principal activity of the Company is the generation of gas and electricity from renewable energy sources which is achieved through the construction and operation of an anaerobic digestion plant on a site in Essex, England, UK.

Results and dividends

The loss for the period, after taxation, amounted to £108,213.

The directors consider the Company's performance during the period to be in line with expectations, and will continue to monitor the trading activities undertaken by the Company. The directors are confident that the Company will generate profits in future years.

The directors do not recommend the payment of a final dividend for the period ended 31 December 2016.

Directors

The directors who served during the period were:

R Castiglioni (appointed 18 December 2015)
I Sheikh (appointed 18 December 2015)
S Speight (appointed 18 December 2015)
R Jones (appointed 6 November 2015, resigned 18 December 2015)

Small companies note

The Directors' Report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006. The Company has taken advantage of the exemption for the requirement to disclose an enhanced business review and to prepare a strategic report in accordance with section 414B of the Companies Act 2006.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditors

Under section 487(2) of the Companies Act 2006, Shipleys LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2016

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

R Castiglioni
Director

Date: 30 June 2017

15 Golden Square
London
W1F 9JG

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2016

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 to 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF FAIRFIELDS FARM ENERGY LIMITED

We have audited the financial statements of Fairfields Farm Energy Limited for the period ended 31 December 2016, set out on pages 6 to 17. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's shareholder 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 shareholder those matters we are required to state to them in an Auditors' 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 shareholder for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with those financial statements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF FAIRFIELDS FARM ENERGY LIMITED (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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' exemption in preparing the Directors' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Joseph Kinton (Senior Statutory Auditor)

for and on behalf of
Shipleys LLP

Chartered Accountants and Statutory Auditor

10 Orange Street
Haymarket
London
WC2H 7DQ

30 June 2017

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2016

	Note	14 months ended 31 December 2016 £
Cost of sales		(1,442)
Gross loss		(1,442)
Administrative expenses		(106,795)
Operating loss	3	(108,237)
Interest receivable and similar income		30
Loss before tax		(108,207)
Tax on loss	5	(6)
Loss for the period		(108,213)

There were no recognised gains and losses for 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016.

The notes on pages 9 to 17 form part of these financial statements.

FAIRFIELDS FARM ENERGY LIMITED
REGISTERED NUMBER:09860962

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note		2016 £
Fixed assets			
Assets under construction	6		**9,141,932**
			9,141,932
Current assets			
Stocks	7	**601,052**	
Debtors: amounts falling due within one year	8	**483,189**	
Cash at bank and in hand	9	**39,053**	
		1,123,294	
Creditors: amounts falling due within one year	10	**(10,373,438)**	
Net current liabilities			**(9,250,144)**
Total assets less current liabilities			**(108,212)**
Net liabilities			**(108,212)**
Capital and reserves			
Called up share capital	12		**1**
Profit and loss account	13		**(108,213)**
			(108,212)

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 by:

R Castiglioni
Director

Date: 30 June 2017

The notes on pages 9 to 17 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
Loss for the period	-	(108,213)	(108,213)
Shares issued during the period	1	-	1
At 31 December 2016	1	(108,213)	(108,212)

The notes on pages 9 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The Company is incorporated in the United Kingdom under the Companies Act 2006. The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 Section 1A ("FRS 102") issued by the Financial Reporting Council.

The financial statements are prepared from 6 November 2015 to 31 December 2016 and are longer than one year as they are the Company's first financial statements.

The Company is limited by shares and incorporated in England. The address of the registered office is given in the company information page of these financial statements.

The principal activity of the Company is the generation of gas and electricity from renewable energy sources which is achieved through the construction and operation of an anaerobic digestion plant for the on a site in Essex, England, UK.

The functional and presentational currency of the Company is considered to be pound sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are rounded to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The financial statements do not include a cash flow statement because the Company satisfies the criteria of being a qualifying small entity as defined in FRS102 and as such has taken advantage of the exemption available under section 1A of FRS102 not to disclose such a statement.

The following principal accounting policies have been applied consistently throughout the year:

1.2 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facility. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Tangible fixed assets

Assets under construction comprise anaerobic digestion assets. They 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.

Assets under construction are not depreciated until the asset is substantially complete and ready for its intended use.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

1. Accounting policies (continued)

1.4 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Stocks relate to feedstock purchased prior to its use in the energy generation process.

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.6 Impairment of asset

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

1.7 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.

1.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

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.

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.

1.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1. Accounting policies (continued)

1.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

1.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

1.12 Taxation

Tax is recognised in the Statement of Comprehensive Income, 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 Company operates and generates income.

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 is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. Operating loss

The operating loss is stated after charging:

	14 months ended 31 December 2016 £
Auditor's remuneration	3,250
Exchange differences	27,764

During the period, no director received any emoluments.

4. Employees

The Company has no employees nor associated employee costs

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

5. Taxation

	14 months ended 31 December 2016 £
Corporation tax	
Current tax on profits for the year	6
	6
Total current tax	6
Deferred tax	
Total deferred tax	-
Taxation on profit on ordinary activities	6

Factors affecting tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 20%. The differences are explained below:

	14 months ended 31 December 2016 £
Loss on ordinary activities before tax	(108,207)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20%	(21,641)
Effects of:	
Losses not recognised	21,647
Total tax charge for the period	6

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016

6. Tangible fixed assets

	Asset under construction £
Cost	
Additions	**9,141,932**
At 31 December 2016	**9,141,932**
At 31 December 2016	-
Net book value	
At 31 December 2016	**9,141,932**

Assets under construction comprises an anaerobic digestion plant under construction.

Borrowing costs amounting to £456,273 have been included in the cost of tangible fixed assets.

7. Stocks

	2016 £
Raw materials and consumables	**601,052**
	601,052

8. Debtors

	2016 £
VAT receivable	**464,165**
Prepayments	**19,024**
	483,189

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016

9. Cash and cash equivalents

	2016 £
Cash at bank and in hand	**39,053**
	39,053

10. Creditors: Amounts falling due within one year

	2016 £
Trade creditors	**311,729**
Amounts owed to group undertakings	**9,928,813**
Corporation tax	**6**
Accruals	**132,890**
	10,373,438

At year end, the company owed £9,400,245 to its parent, Ingenious Renewable Energy Enterprises Limited. The amounts are unsecured, bear interest at 8.5% and are repayable on demand.

11. Financial instruments

	2016 £
Financial assets	
Measured at undiscounted amount receivable (see note 8)	**464,165**
	464,165
Financial liabilities	
Measured at undiscounted amounts payable (see note 10)	**(444,625)**
Measured at amortised cost (see note 10)	**(9,928,813)**
	(10,373,438)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

12. Share capital

	2016 £
Shares classified as equity	
Allotted, called up and fully paid	
100 Ordinary shares of £0.01 each	1

13. Reserves

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

14. Capital commitments

At 31 December 2016 the Company had capital commitments as follows:

	2016 £
Contracted for but not provided in these financial statements	2,332,804
	2,332,804

The above figure relates to contracted but not spent amounts outstanding at year end for completing the construction of the anaerobic digestion plant.

15. *Commitments under operating leases*

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £
Not later than 1 year	75,000
Later than 1 year and not later than 5 years	300,000
Later than 5 years	1,275,000
	1,650,000

The operating land lease expires in 2038. The above commitment will be adjusted for inflation annually.

16. Controlling party

At 31 December 2016, Ingenious Renewable Energy Enterprises Limited, registered at 15 Golden Square, London, W1F 9JG, was the immediate parent company.

At 31 December 2016, the ultimate parent company was Ingenious Estate Planning Limited, registered at 15 Golden Square, London, W1F 9JG.

There is no ultimate controlling party.