

Company Registration No. 08917360 (England and Wales)

BTS BIOGAS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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BTS BIOGAS LIMITED

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BTS BIOGAS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	4		12,671		23,985
Current assets					
Stocks		300,292		211,736	
Debtors falling due after more than one year	5	-		14,000	
Debtors - deferred tax		211,493		183,747	
Debtors falling due within one year	5	111,562		111,183	
Cash at bank and in hand		85,088		175,433	
		<u>708,435</u>		<u>696,099</u>	
Creditors: amounts falling due within one year	6	<u>(1,688,652)</u>		<u>(1,622,220)</u>	
Net current liabilities			<u>(980,217)</u>		<u>(926,121)</u>
Total assets less current liabilities			<u>(967,546)</u>		<u>(902,136)</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			<u>(967,646)</u>		<u>(902,236)</u>
Total equity			<u>(967,546)</u>		<u>(902,136)</u>

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

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

The financial statements were approved and signed by the director and authorised for issue on 19 April 2021

Mr A T Abidi
Director

Company Registration No. 08917360

BTS BIOGAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

BTS Biogas Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2 Lotherton Court, Lotherton Way, Garforth, Leeds, LS25 2JY.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The financial statements have been prepared using the format 2 profit and loss account detailed in SI 2008/409.

1.2 Going concern

Despite the company's balance sheet deficit, the director has a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for a period of at least 12 months from the approval of these financial statements.

The company has the support of its parent company and the parent company will not seek repayment in full of amounts owed by the company. Furthermore, the parent company will continue to provide financial support should it be required.

Accordingly, the director continues to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

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:

Plant and machinery	25% straight-line
Fixtures and fittings	25% straight-line
Computer equipment	33% straight-line
Motor vehicles	20% straight line

BTS BIOGAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

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

1.6 Stocks

Consumables, including spares, are included within stock at the lower of cost and net reliable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents 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.

BTS BIOGAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

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.

BTS BIOGAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	6	7

BTS BIOGAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Taxation

	2020	2019
	£	£
Deferred tax		
Origination and reversal of timing differences	(27,746)	(183,747)
	<u> </u>	<u> </u>

The company has estimated tax losses of £1,166,000 (2019: £1,081,000) available for carry forward against future trading profits.

A deferred tax asset of £27,746 (2019: £183,747) has been recognised for the current year as the company expects to return profitable in the near future therefore expect to be able to utilise the tax losses against future trading profits.

4 Tangible fixed assets

	Plant and machinery	Fixtures and fittings	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	4,000	3,788	8,461	75,992	92,241
Additions	-	-	100	-	100
Disposals	-	-	-	(19,000)	(19,000)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	4,000	3,788	8,561	56,992	73,341
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment					
At 1 January 2020	3,417	2,999	5,986	55,854	68,256
Depreciation charged in the year	583	789	1,807	8,235	11,414
Eliminated in respect of disposals	-	-	-	(19,000)	(19,000)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	4,000	3,788	7,793	45,089	60,670
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount					
At 31 December 2020	-	-	768	11,903	12,671
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2019	583	789	2,475	20,138	23,985
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	46,408	41,954
Other debtors	65,154	69,229
	<u> </u>	<u> </u>
	111,562	111,183
	<u> </u>	<u> </u>
	2020	2019

BTS BIOGAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Debtors	(Continued)	
Amounts falling due after more than one year:	£	£
Other debtors	-	14,000
Deferred tax asset	211,493	183,747
	<u>211,493</u>	<u>197,747</u>
Total debtors	<u>323,055</u>	<u>308,930</u>

6 Creditors: amounts falling due within one year	2020	2019
	£	£
Trade creditors	66,573	56,027
Amounts owed to group undertakings and undertakings in which the company has a participating interest	1,541,164	1,474,621
Taxation and social security	72,192	83,672
Other creditors	8,723	7,900
	<u>1,688,652</u>	<u>1,622,220</u>

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which highlights that the company's operations are affected by the Covid-19 pandemic. As stated in note 1.2, the impact of Covid-19 on the company indicates that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The auditor's report was unqualified.

The senior statutory auditor was Paul Williams.

The auditor was MHA Moore and Smalley.

BTS BIOGAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2020	2019
£	£
10,970	38,970
<u>10,970</u>	<u>38,970</u>

BTS BIOGAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Related party transactions

The company has taken advantage of the exemption permitted under Section 1AC.35 from disclosing transactions with the parent company.

10 Parent company

The company is a wholly owned subsidiary of BTS Biogas Srl/GmbH.

The smallest group for which consolidated financial statements are drawn up is headed by BTS Biogas Srl/GmbH, whose registered office is Via San Lorenznerstr. I-39031 Brunico/Bruneck (BZ), Italy.

The group financial statements are not available to the public.

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.