Garvagh Energy Supply Limited

Filleted unaudited financial statements

Year ended 30 September 2018

(as modified by Section 444 of the Companies Act 2006)

Registered number: NI 620479

Garvagh Energy Supply Limited

Filleted unaudited financial statements

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Garvagh Energy Supply Limited

Filleted balance sheet

as at 30 September 2018
Registered number: NI 620479

	Note	2018	2017
		£	£
Fixed assets			
Tangible fixed assets	3	**460,296**	489,294
Current assets			
Debtors	4	**31,056**	28,968
Cash at bank and in hand	5	**86,598**	14,088
		117,654	43,056
Creditors: amounts falling due within one year	6	**(519,368)**	(506,489)
Net current liabilities		**(401,714)**	(463,433)
Net assets		**58,582**	25,861
Capital and reserves			
Called up share capital	7	**1**	1
Profit and loss account		**58,581**	25,860
Shareholders' funds		**58,582**	25,861

Advantage has been taken of the audit exemptions available for small companies conferred by Section 477 of the Companies Act 2006 on the grounds:

(a) that for the year ended 30 September 2018 the Company was entitled to the exemption from a statutory audit under Section 477 of the Companies Act 2006; and

(b) that no notice has been deposited under Section 476 of the Companies Act 2006 in relation to the financial statements for the financial year.

The directors acknowledge their responsibilities for:

(a) ensuring that the Company keeps proper accounting records which comply with the Companies Act 2006; and

(b) preparing financial statements which give a true and fair view of the assets, liabilities and financial position of the Company as at 30 September 2018 and of its profit or loss for the year then ended in accordance with the requirements of the Companies Act 2006 relating to financial statements, so far as are applicable to the Company.

Garvagh Energy Supply Limited

Filleted balance sheet
as at 30 September 2018 (continued)

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

The profit and loss account and directors' report have not been delivered to the Registrar of Companies in accordance with the special provisions applicable to companies subject to the small companies regime.

The filleted unaudited financial statements were approved by the board of directors on 28 June . 2019 and were signed on its behalf by:

Shane McCrory
Director

Notes

forming part of the filleted unaudited financial statements

1 Accounting policies

Garvagh Energy Supply Limited (the "company") is a company limited by shares and incorporated and domiciled in the United Kingdom. The company number is NI 620479 and the registered office is 8a Garvagh Road, Donaghmore, Dungannon, Co. Tyrone, BT70 3LS.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is Sterling.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 10.

Under FRS 102 the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size

Measurement basis

The financial statements are prepared on the historical cost basis.

Going concern

The directors are satisfied that the company will have adequate resources to continue in operational existence for the foreseeable future, beyond 12 months from the date of signing the financial statements. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1 Accounting policies *(continued)*

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The entity assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Wind turbine 20 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the entity's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis. An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes *(continued)*
forming part of the filleted unaudited financial statements

1 Accounting policies *(continued)*

Turnover

Turnover represents income from the sale of produced electricity and excludes Value Added Tax.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Statutory and other information

	2018	2017
	£	£
Operating profit is stated after charging;		
Directors' remuneration;		
Fees	-	-
Other remuneration	-	-
Depreciation of tangible fixed asset	**28,998**	28,998

Other than directors there were no persons employed by the Company in the current year. As such, no employee costs were incurred during the year *(2017:£Nil)*.

Garvagh Energy Supply Limited

Notes *(continued)*
forming part of the filleted unaudited financial statements

3 Tangible fixed assets

	Wind turbine £
Cost	
At beginning and end of year	**579,964**
Depreciation	
At beginning of year	90,670
Charge for year	28,998
At end of year	**119,668**
Net book value	
At 30 September 2018	**460,296**
At 30 September 2017	489,294

4 Debtors: amounts falling due within one year

	2018 £	2017 £
Accrued income	**20,766**	19,269
Prepayments	**10,290**	9,699
	31,056	28,968

Trade debtors are stated net of a provision for impairment of £Nil *(2017: £Nil)*.

5 Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	**86,598**	14,088

Notes *(continued)*
forming part of the filleted unaudited financial statements

6 **Creditors**: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	**8,395**	-
Amounts owed to related undertaking	**-**	2,316
Accruals	**4,714**	5,027
VAT	**2,166**	1,956
Director's loan	**491,161**	491,161
Deferred tax	**12,932**	6,029
	519,368	506,489

Deferred tax arises on the temporary timing difference between the carrying value of tangible fixed assets and the tax written down value.

7 Called up share capital

	2018	2017
	£	£
Authorised		
1 Ordinary shares of £1 each	**1**	1
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	**1**	1

8 Controlling party

The company is controlled by the director.

9 Related party transactions

Transactions with director

During the year the company repaid loans to the director of £Nil *(2017: £120,000)*. At the year end the company owed £491,161 to the director *(2017: £491,161)*. In 2014 the company entered into a 25 year lease with the director for the land on which the windfarm was built. £2,161 rental was charged and paid by the director in the current year *(2017: £2,161)*.

Transactions with Apamore Services Limited

During the year the company incurred expenses from Apamore Services Limited, a company subject to common control, of £Nil *(2017: £2,316)*, and repaid costs of £2,316 *(2017: £Nil)*. No amounts remained outstanding at year end *(2017: £2,316)*.

Notes *(continued)*
forming part of the filleted unaudited financial statements

10 Accounting estimates and judgements

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, 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.

Key source of estimation uncertainty

Impairment of tangible fixed assets

Tangible fixed assets are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset. The recoverable amount of an asset is the higher of the fair value less costs to sell and value in use. These calculations require the use of estimates. The calculations are inherently judgemental and susceptible to change from period to period.

Recoverability of trade debtors

Trade debtors are reviewed for their recoverability on a periodic basis by the directors. If any specific debtors are identified as having some doubt as to their recoverability they are fully provided for and in addition to this the risk of bad debts is stratified across the types of debtors to calculate the total bad debt provision.

11 Audit report

The financial statements presented are unaudited.