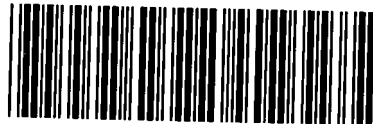


Company Registration No. 04416996 (England and Wales)

PX (TGPP) LIMITED
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

TUESDAY



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COMPANIES HOUSE

PX (TGPP) LIMITED

COMPANY INFORMATION

Directors	L N Smail D P D Weatherill M W Kenrick
Company number	04416996
Registered office	px House Westpoint Road Thornaby Stockton-On-Tees TS17 6BF
Auditor	Johnston Carmichael LLP Bishop's Court 29 Albyn Place ABERDEEN AB10 1YL

PX (TGPP) LIMITED

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PX (TGPP) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company continued to be that of the management of gas plants under operation and management agreements.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

L N Smail

D P D Weatherill

I Clifford

M W Kenrick

(Resigned 30 September 2017)

(Appointed 1 October 2017)

Results and dividends

Ordinary dividends of £1,300,000 (2017: £nil) were paid. The directors do not recommend payment of a further dividend.

Auditor

The auditor, Johnston Carmichael LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



D P D Weatherill

Director

19 September 2018

PX (TGPP) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

The directors are responsible for preparing the annual 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). 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;
- 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.

PX (TGPP) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PX (TGPP) LIMITED

Opinion

We have audited the financial statements of PX (TGPP) Limited (the 'company') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity 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 FRS 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 March 2018 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 UK, including the FRC'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.

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.

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.

PX (TGPP) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PX (TGPP) LIMITED

Matters on which we are required to report by exception

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.

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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.

PX (TGPP) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PX (TGPP) LIMITED

Auditor's responsibilities for the audit of the financial statements (continued)

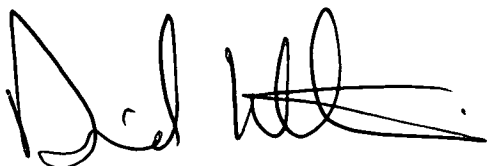
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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.



David Wilson (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

21/09/2018

Chartered Accountants
Statutory Auditor

Bishop's Court
29 Albyn Place
ABERDEEN
AB10 1YL

PX (TGPP) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Turnover		5,926,456	5,497,686
Cost of sales		(1,999,318)	(2,800,103)
Gross profit		3,927,138	2,697,583
Administrative expenses		(2,338,865)	(2,366,239)
Operating profit		1,588,273	331,344
Interest receivable and similar income		2,511	1,397
Profit before taxation		1,590,784	332,741
Taxation	3	(302,249)	(66,491)
Profit for the financial year		1,288,535	266,250

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

PX (TGPP) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Debtors	4	1,566,792		3,639,176	
Cash at bank and in hand		343,009		787,438	
		<u>1,909,801</u>		<u>4,426,914</u>	
Creditors: amounts falling due within one year	5	(1,138,218)		(3,643,866)	
Net current assets			<u>771,583</u>		<u>783,048</u>
Capital and reserves					
Called up share capital	6		100		100
Profit and loss reserves			<u>771,483</u>		<u>782,948</u>
Total equity			<u>771,583</u>		<u>783,048</u>

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

The financial statements were approved by the board of directors and authorised for issue on 19 September 2018 and are signed on its behalf by:



D P D Weatherill
Director

Company Registration No. 04416996

PX (TGPP) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2016	100	516,698	516,798
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	266,250	266,250
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2017	100	782,948	783,048
Year ended 31 March 2018:			
Profit and total comprehensive income for the year	-	1,288,535	1,288,535
Dividends	-	(1,300,000)	(1,300,000)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2018	100	771,483	771,583
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

PX (TGPP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

px (TGPP) Limited is a private company limited by shares incorporated in England and Wales. The registered office is px House, Westpoint Road, Thornaby, Stockton-On-Tees, TS17 6BF

1.1 Accounting convention

These financial statements have been prepared in accordance with the provisions of FRS 102 section 1A for small entities and the requirements of the Companies Act 2006. There were no material departures from the standard.

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 pound (£).

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

1.2 Going concern

The directors, having made due and careful enquiry and preparing forecasts, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors have therefore made an informed judgement, at the same time as approving the financial statements, that there is a reasonable expectation the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Turnover

Turnover represents net invoiced sales and recharges (to both group undertakings and external customers), excluding value added tax, derived from the operations and management of a gas plant and other assets.

1.4 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.

1.5 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.

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.

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.

PX (TGPP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 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.

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.

1.8 Employee benefits

The company has no employees, but is recharged by other group companies for the cost of staff performing work for the company. These costs are recognised as a liability and as an employee benefit expense.

2 Employees

The company has no employees (2017 - nil) other than the directors.

3 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	302,249	-
Adjustments in respect of prior periods	-	(70)
Group tax relief	-	66,561
Total current tax	302,249	66,491

PX (TGPP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

4 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	196,118	295,406
Amounts due from group undertakings	937,142	2,723,029
Other debtors	433,532	621,041
	<u>1,566,792</u>	<u>3,639,476</u>

The intercompany balances are repayable on demand and no interest is charged.

5 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	26,476	34,921
Amounts due to group undertakings	718,219	3,277,551
Other taxation and social security	209,917	175,070
Other creditors	183,606	156,324
	<u>1,138,218</u>	<u>3,643,866</u>

The intercompany balances are repayable on demand and no interest is charged.

6 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

7 Financial commitments, guarantees and contingent liabilities

The company has provided a guarantee and a fixed charge in favour of the bank as security over bank facilities in group companies. The total amount outstanding on the bank facilities at the balance sheet date was £39,000,000 (2017 - £nil).

8 Related party transactions

The company has taken advantage of the exemption available in accordance with section 33 of FRS 102 'Related party disclosures' not to disclose transactions entered into between two or more members of the group, as the company is a wholly owned subsidiary undertaking of the group which is party to the transactions.

PX (TGPP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

9 Parent company

The company's immediate parent undertaking is px Holdings Limited.

px UK Holdco1 Limited is the parent of the smallest group of undertakings for which consolidated financial statements are drawn up. Financial statements for px Holdings Limited and px UK Holdco1 Limited are available from px House, Westpoint Road, Thornaby, Stockton-on-Tees, TS17 6BF.

The ultimate parent undertaking and controlling party is Blue Water Energy LLP.