

Financial Statements Superior Heat Limited

For the year ended 28 February 2013



Registered number: 07971100

Superior Heat Limited

Company Information

Registered number	07971100
Registered office	4th Floor 20 Old Bailey LONDON EC4M 7AN
Directors	P S Latham J A Cooper
Company secretary	N Board
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 3140 Rowan Place John Smith Drive Oxford Business Park South OXFORD OX4 2WB
Bankers	Coutts & Co 440 Strand LONDON WC2R 0QS
Solicitors	SGH Martineau LLP No 1 Colmore Square BIRMINGHAM B4 6AA

Superior Heat Limited

Contents

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 11

Directors' Report

For the year ended 28 February 2013

The directors present their report and the financial statements for the year ended 28 February 2013

Principal activities

The company was incorporated on the 1 March 2012, commenced trade on the 7 October 2012 and the principal activity of the company is the construction and operation of ground source heat pumps which provide provisions of heating and cooling

Going concern

The accounts have been prepared on a going concern basis. The directors have prepared forecasts and reviewed capital requirements for twelve months from the date of approving these financial statements, which indicate the business can continue to trade for at least twelve months

Directors

The directors who served during the year were

P S Latham (appointed 1 March 2012)

J A Cooper (appointed 5 April 2012)

Directors' responsibilities statement

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 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 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 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

Superior Heat Limited

Directors' Report

For the year ended 28 February 2013

Disclosure of information to auditor

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

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that 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 auditor is aware of that information

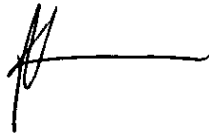
Auditor

Grant Thornton UK LLP were appointed auditor during the year to fill a casual vacancy in accordance with section 485(3) of the Companies Act 2006

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

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



P S Latham
Director

Date **27 November 2013**



Independent Auditor's Report to the Members of Superior Heat Limited

We have audited the financial statements of Superior Heat Limited for the year ended 28 February 2013, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

Respective responsibilities of directors and auditor

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. 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 Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 28 February 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Superior Heat Limited

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

Grant Thornton UK LLP

Tracey James (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Oxford
Date

28 November 2013

Profit and Loss Account

For the year ended 28 February 2013

	Note	2013 £
Turnover	1	94,685
Administrative expenses		<u>(118,765)</u>
Operating loss	2	(24,080)
Interest receivable and similar income		5,615
Interest payable and similar charges		<u>(130,620)</u>
Loss on ordinary activities before taxation		(149,085)
Tax on loss on ordinary activities	3	<u>-</u>
Loss for the financial year	9	<u><u>(149,085)</u></u>

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

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year set out above

Balance Sheet

As at 28 February 2013

	Note	£	2013 £
Fixed assets			
Tangible assets	4		1,614,483
Current assets			
Debtors	5	122,974	
Cash at bank		243,898	
		<u>366,872</u>	
Creditors: amounts falling due within one year	6	<u>(130,440)</u>	
Net current assets			<u>236,432</u>
Total assets less current liabilities			<u>1,850,915</u>
Creditors: amounts falling due after more than one year	7		<u>(1,400,000)</u>
Net assets			<u><u>450,915</u></u>
Capital and reserves			
Called up share capital	8		600,000
Profit and loss account	9		<u>(149,085)</u>
Shareholders' funds			<u><u>450,915</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



P S Latham
Director

Date 27 November 2013

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

Notes to the Financial Statements

For the year ended 28 February 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The accounts have been prepared on a going concern basis. The directors have prepared forecasts and reviewed capital requirements for twelve months from the date of approving these financial statements, which indicate the business can continue to trade for at least twelve months.

1.3 Turnover

Turnover comprises income receivable from the energy generated during the period. Any uninviced income is accrued in the period in which it has been generated.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Other fixed assets	-	4% straight line
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Other fixed assets represents the costs of construction of ground source heat plants, ground source heat pumps, planning and professional fees capitalised and depreciated at 4% per annum on a straight line basis.

1.5 Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the Balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the Balance sheet date.

Notes to the Financial Statements

For the year ended 28 February 2013

1. Accounting Policies (continued)

1.6 Financial Instrument

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the Balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Operating loss

The operating loss is stated after charging:

	2013 £
Depreciation of tangible fixed assets	
- owned by the company	25,887
Auditor's remuneration	4,550
Taxation services	2,200
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During the year, no director received any emoluments.

3. Taxation

The company has no tax liability for the period and there are tax losses of approximately £191,000 available to carry forward. The company has not recognised a deferred tax asset in respect of any losses available to carry forward due to there being insufficient certainty regarding its recovery.

Notes to the Financial Statements

For the year ended 28 February 2013

4. Tangible fixed assets

	Other Fixed Assets £
Cost	
At 1 March 2012	-
Additions	1,640,370
At 28 February 2013	<u>1,640,370</u>
Depreciation	
At 1 March 2012	-
Charge for the year	25,887
At 28 February 2013	<u>25,887</u>
Net book value	
At 28 February 2013	<u><u>1,614,483</u></u>

5. Debtors

	2013 £
Other debtors	<u>122,974</u>

6. Creditors: Amounts falling due within one year

	2013 £
Trade creditors	118,190
Other creditors	12,250
	<u><u>130,440</u></u>

7. Creditors: Amounts falling due after more than one year

	2013 £
Other loans	<u><u>1,400,000</u></u>

Included within other loans is an amount of £1,400,000, which is secured by a fixed and floating charge over the assets of the company

Notes to the Financial Statements

For the year ended 28 February 2013

8. Share capital

	2013 £
Allotted, called up and fully paid	
600,000 Ordinary shares of £1 each	600,000
10 Deferred shares of £0.01 each	-
	<hr/>
	600,000
	<hr/>

Upon incorporation on 1 March 2012 the company issued 600,000 ordinary shares for £1

On 1 March 2012 the company issued 10 deferred shares of £0.01

Deferred shares included within share capital are shares which remain dormant with no rights attached until such time as the company is sold and the deferred shareholders are entitled to participate in the sale proceeds above a pre-agreed target

9. Reserves

	Profit and loss account £
Loss for the financial year	(149,085)
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At 1 March 2012 the loss for the year was £149,085	(149,085)
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10. Contingent liabilities

There were no contingent liabilities as at 28 February 2013

11. Capital commitments

There were no capital commitments as at 28 February 2013

Notes to the Financial Statements

For the year ended 28 February 2013

12. Related party transactions

During the year the company received loans totalling £700,000 from Octopus VCT Plc, a shareholder of Superior Heat Limited. Interest of £65,310 has been charged on these loans during the year. Arrangements fees totalling £10,000 were charged by Octopus VCT Plc to the company during the year. The total amount outstanding and included in other loans at 28 February 2013 was £700,000.

During the year the company received loans totalling £700,000 from Octopus VCT 2 Plc, a shareholder of Superior Heat Limited. Interest of £65,310 has been charged on these loans during the year. Arrangements fees totalling £50,000 were charged by Octopus VCT 2 Plc to the company during the year. The total amount outstanding and included in other loans at 28 February 2013 was £700,000.

Octopus Investments Limited, a related party due to its significant influence over the company, charged monitoring fees totalling £13,200 and recharged expenses totalling £60,330 to the company. A total of £273 is owed to Octopus Investments Limited at the year end and is included within Trade Creditors.