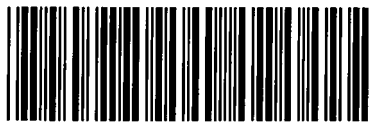


Company Registration No. 06245343  
(Incorporated in England and Wales)

## Sindicatum Carbon Capital Services Limited

Annual Financial Statements  
For the financial year ended 31 December 2017

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## **Sindicatum Carbon Capital Services Limited**

### **General Information**

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#### **Director**

Robert Eugene Driscoll

#### **Company Secretary**

Nicholas Tara Kelly

#### **Registered Office**

Suite 225  
10 Greycoat Place  
London  
SW1P 1SB

#### **Auditor**

Ernst & Young LLP  
25 Churchill Place  
London E14 5EY  
United Kingdom

#### **Banker**

HSBC Bank plc  
8 Canada Square  
London  
E14 5HQ

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## **Sindicatum Carbon Capital Services Limited**

### **Strategic report**

**For the financial year ended 31 December 2017**

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The director presents the strategic report of Sindicatum Carbon Capital Services Limited (the "Company") for the year ended 31 December 2017.

#### **Business review**

The net profit for the year ended 31 December 2017 was £13,609 (2016: net loss £137,808). As at 31 December 2017, the total assets of the Company were £2,879,699 (2016: £2,852,702) and its net liabilities amounted to £2,410,740 (2016: £2,424,349).

#### **Principal activity**

The principal activity of the Company is to provide services to Group companies in the development of projects which reduce greenhouse gas emissions.

#### **Future developments**

Services demanded of the Company by other Group companies in the current year are expected to remain similar.

#### **Principal risks**

The principal business risk and uncertainties affecting the Company are considered to relate to the level of demand of services and the recoverability of its costs from other Group companies. Its overall risk management programme is covered in more detail in Note 18 of the financial statements.

#### **Key performance indicators ("KPI")**

Given the straightforward nature of the business, the Company's director is of the opinion that analysis using KPIs other than profit is not necessary for an understanding of the development, performance or position of the business.

**Sindicatum Carbon Capital Services Limited**

**Director's report  
For the financial year ended 31 December 2017**

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The director presents his report and audited financial statements of the Company for the year ended 31 December 2017.

**Results and dividends**

The results for the year are set out on page 7.

The director does not recommend the payment of a dividend (2016: £nil).

**Director**

The following director has held office during the year and up to the date of signing the financial statements:

Robert Eugene Driscoll

**Third party indemnity provisions**

There were no qualifying third party indemnity provisions in place to the benefit of any directors at any time within the financial year or to the date of this report.

**Going concern**

As at 31 December 2017, the Company is in a net liability position. The ultimate holding company, Sindicatum Sustainable Resources Pte. Limited, has undertaken to provide continuing financial support to enable the Company to meet its obligations as and when they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

**Director's statement as to disclosure of Information to the auditors**

In accordance with the provisions of section 418(2) of the Companies Act 2006 and after having made enquiries of the Company's auditors, the director who is in office at the date the director's report is approved, confirms that:

- (a) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Sindicatum Carbon Capital Services Limited**

**Director's report  
For the financial year ended 31 December 2017**

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**Statement of director's responsibilities**

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

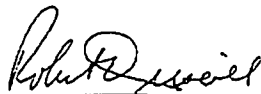
Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under Company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The director is 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. He is 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 auditor**

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.



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Robert Eugene Driscoll  
Director

26 September 2018

## **Sindicatum Carbon Capital Services Limited**

### **Independent auditor's report to the member of Sindicatum Carbon Capital Services Limited**

#### **Opinion**

We have audited the financial statements of Sindicatum Carbon Capital Services Limited for the year ended 31 December 2017 which comprise the Statement of comprehensive income, the Balance sheet, the statement of changes in equity, the Statement of cash flows and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 below. 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

**Sindicatum Carbon Capital Services Limited**

**Independent auditor's report to the member of Sindicatum Carbon Capital Services Limited  
(cont'd)**

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**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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

**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 strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, 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

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out 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, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

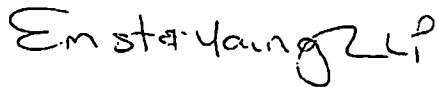
**Sindicatum Carbon Capital Services Limited**

**Independent auditor's report to the member of Sindicatum Carbon Capital Services Limited  
(cont'd)**

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**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.

A handwritten signature in black ink, appearing to read "Ernst & Young LLP".

Denise Davidson (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
27 September 2018



**Sindicatum Carbon Capital Services Limited**

**Statement of comprehensive income  
For the financial year ended 31 December 2017**

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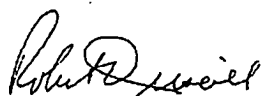
|   | Note | 2017<br>£     | 2016<br>£        |
|---|------|---------------|------------------|
| Revenue   | 6    | 171,583       | 156,072          |
| Operating costs   | 19   | (155,212)     | (146,715)        |
| <b>Operating profit</b>   |      | <b>16,371</b> | <b>9,357</b>     |
| Reversal of impairment losses on receivables from related companies                       |      | 20,138        | 197,019          |
| Non-trade payables to a related company written off                                       |      | 3,518         | -                |
| Finance costs   | 7    | (89,335)      | (68,897)         |
| Net foreign exchange gain/(loss)  |      | 62,917        | (275,287)        |
| <b>Profit/(loss) on ordinary activities before taxation</b>                               |      | <b>13,609</b> | <b>(137,808)</b> |
| Income tax expense  | 9    | -             | -                |
| <b>Profit/(loss) for the year and total comprehensive income for the year, net of tax</b> |      | <b>13,609</b> | <b>(137,808)</b> |

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Sindicatum Carbon Capital Services Limited**

**Balance sheet  
As at 31 December 2017**

|                                     | Note | 2017<br>£          | 2016<br>£          |
|-------------------------------------|------|--------------------|--------------------|
| <b>Assets</b>                       |      |                    |                    |
| <b>Current assets</b>               |      |                    |                    |
| Trade and other receivables         | 11   | 2,870,603          | 2,806,739          |
| Cash and cash equivalents           | 12   | 7,551              | 44,935             |
| <b>Total current assets</b>         |      | <b>2,878,154</b>   | <b>2,851,674</b>   |
| <b>Non-current asset</b>            |      |                    |                    |
| Plant and equipment                 | 10   | 1,545              | 1,028              |
| <b>Total non-current assets</b>     |      | <b>1,545</b>       | <b>1,028</b>       |
| <b>Total assets</b>                 |      | <b>2,879,699</b>   | <b>2,852,702</b>   |
| <b>EQUITY AND LIABILITIES</b>       |      |                    |                    |
| <i>Capital and reserves</i>         |      |                    |                    |
| Issued capital                      | 13   | 500                | 500                |
| Accumulated losses                  |      | (2,411,240)        | (2,424,849)        |
| <b>Total equity</b>                 |      | <b>(2,410,740)</b> | <b>(2,424,349)</b> |
| <b>Current liabilities</b>          |      |                    |                    |
| Other payables                      | 14   | 5,290,439          | 5,277,051          |
| <b>Total current liabilities</b>    |      | <b>5,290,439</b>   | <b>5,277,051</b>   |
| <b>Total equity and liabilities</b> |      | <b>2,879,699</b>   | <b>2,852,702</b>   |



Robert Eugene Driscoll  
Director

26 September 2018  
Company Number: 06245343

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Sindicatum Carbon Capital Services Limited**

**Statement of changes in equity  
For the financial year ended 31 December 2017**

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|  | <b>Issued<br/>capital<br/>£</b> | <b>Accumulated<br/>losses<br/>£</b> | <b>Total<br/>£</b> |
|--|---------------------------------|-------------------------------------|--------------------|
| Balance at 1 January 2017                          | 500                             | (2,424,849)                         | (2,424,349)        |
| Profit and total comprehensive income for the year | –                               | 13,609                              | 13,609             |
| <b>Balance at 31 December 2017</b>                 | <b>500</b>                      | <b>(2,411,240)</b>                  | <b>(2,410,740)</b> |
| Balance at 1 January 2016                          | 500                             | (2,287,041)                         | (2,286,541)        |
| Loss and total comprehensive income for the year   | –                               | (137,808)                           | (137,808)          |
| <b>Balance at 31 December 2016</b>                 | <b>500</b>                      | <b>(2,424,849)</b>                  | <b>(2,424,349)</b> |

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

**Sindicatum Carbon Capital Services Limited**

**Statement of cash flows  
For the financial year ended 31 December 2017**

---

|   | Note | 2017<br>£       | 2016<br>£      |
|---|------|-----------------|----------------|
| <b>Cash flows from operating activities</b>                         |      |                 |                |
| Profit/(loss) for the year before tax                               |      | 13,609          | (137,808)      |
| Reversal of impairment losses on receivables from related companies |      | (20,138)        | (197,019)      |
| Interest charged by immediate holding company                       | 7    | 89,335          | 68,897         |
| Depreciation  | 10   | 468             | 22             |
|   |      | <hr/>           | <hr/>          |
|   |      | 83,274          | (265,908)      |
| Movement in working capital:  |      |                 |                |
| Trade and other receivables   |      | (43,726)        | 651,461        |
| Other payables  |      | (75,947)        | (342,184)      |
|   |      | <hr/>           | <hr/>          |
| <b>Net cash (used in)/generated from operating activities</b>       |      | <b>(36,399)</b> | <b>43,369</b>  |
|   |      | <hr/>           | <hr/>          |
| <b>Cash flows from investing activities</b>                         |      |                 |                |
| Purchase of plant and equipment                                     |      | (985)           | (1,050)        |
|   |      | <hr/>           | <hr/>          |
| <b>Net cash used in investing activities</b>                        |      | <b>(985)</b>    | <b>(1,050)</b> |
|   |      | <hr/>           | <hr/>          |
| <b>Net (decrease)/increase in cash and cash equivalents</b>         |      | <b>(37,384)</b> | <b>42,319</b>  |
| Cash and equivalents at the beginning of the financial year         |      | 44,935          | 2,616          |
|   |      | <hr/>           | <hr/>          |
| <b>Cash at cash equivalents at the end of the financial year</b>    | 12   | <b>7,551</b>    | <b>44,935</b>  |

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

## **Sindicatum Carbon Capital Services Limited**

### **Notes to the financial statements For the financial year ended 31 December 2017**

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#### **1. General information**

Sindicatum Carbon Capital Services Limited (the "Company") is a private limited company, which is incorporated and domiciled in England and Wales. The Company is a wholly owned subsidiary of Sindicatum Sustainable Resources Management Pte. Limited, a company incorporated in Singapore, as at 31 December 2017.

The registered office and principal place of business of the Company is located at Suite 225, 10 Greycoat Place, London, SW1P 1SB, United Kingdom.

#### **2. Basis of preparation**

The financial statements have been prepared on the historical cost basis in accordance with EU Endorsed IFRS standards and the company's interpretation of IFRIC standards, the Companies Act 2006 as applicable to companies using IFRS. The principal accounting policies have been consistently applied in all periods presented and are set out below.

The financial statements are presented in Great British Pounds (GBP or £), except when otherwise indicated.

##### **Going concern**

The Company incurred a net profit of £13,609 (2016: net loss of £137,808) during the year ended 31 December 2017. As at 31 December 2017, the Company is in a net liability position of £2,410,740 (2016: £2,424,349). The ultimate holding company, Sindicatum Sustainable Resources Pte. Limited has undertaken to provide continuing financial support to enable the Company to meet its obligations as and when they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

If the Company is unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

#### **3. Adoption of new and revised standards**

(a) New and amended standards adopted by the Company:

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2017 that would be expected to have a material impact on the Company.

(b) New standards, amendments and interpretations that are potentially relevant to the Company issued but not effective for the financial year beginning 1 January 2017 (and in some cases not yet adopted by the EU) and not early adopted.

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

---

**3. Adoption of new and revised standards (cont'd)**

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

| <i>Description</i>                                   | <i>Effective for annual periods beginning on or after</i> |
|--|---|
| IFRS 15 <i>Revenue from Contracts with Customers</i> | 1 January 2018  |
| IFRS 9 <i>Financial Instruments</i>                  | 1 January 2018  |
| IFRS 16 <i>Leases</i>                                | 1 January 2019  |

The director expects that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application.

**4. Accounting policies**

**Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is presented as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## **Sindicatum Carbon Capital Services Limited**

### **Notes to the financial statements For the financial year ended 31 December 2017**

---

#### **4. Accounting policies (cont'd)**

##### **Taxation**

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

Current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income 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 balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

##### **Leases**

Leases of offices where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases are recognised in the statement of comprehensive income on a straight line basis over the period of the lease.

##### **Plant and equipment**

Plant and equipment are recorded at cost less depreciation in accordance with the recognition criteria detailed in IAS 16, Plant and equipment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The depreciation rates applied are:

|              |                   |
|--------------|-------------------|
| IT equipment | 25% Straight Line |
|--------------|-------------------|

##### **Impairment of plant and equipment**

At each balance sheet date, the Company reviews the carrying amounts of its plant and equipment 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). Non-financial assets which have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

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**4. Accounting policies (cont'd)**

**Foreign currency translation**

**(a) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Great British Pounds, which is the Company's functional and presentation currency.

**(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

**Financial instruments**

Financial assets and liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. There are no assets or liabilities classified as "fair value through profit and loss".

**Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

**Trade and other payables**

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash and deposits held on call with banks.

**Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the company's activities. Revenue is shown net of value-added tax and returns.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved.

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.



**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

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**5. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the director is 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.

**Critical judgements in applying accounting policies**

**Deferred tax and income taxes**

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the timing and level of future taxable profits together with future tax planning strategies.

**6. Revenue**

|  | 2017<br>£      | 2016<br>£ |
|--|----------------|-----------|
| Revenue from the rendering of services (Note 20) | <b>171,583</b> | 156,072   |

---

**7. Finance costs**

|  | 2017<br>£     | 2016<br>£ |
|--|---------------|-----------|
| Interest charged by immediate holding company<br>(Note 20) | <b>89,335</b> | 68,897    |

---

**8. Profit/(loss) on ordinary activities before taxation**

|  | 2017<br>£     | 2016<br>£ |
|--|---------------|-----------|
| Profit/(loss) for the year has been arrived at after charging: |               |           |
| Employee costs   | <b>30,253</b> | 26,922    |
| Professional fees  | <b>13,434</b> | 5,744     |
| Audit fees   | <b>6,251</b>  | 7,074     |

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**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

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**8.1 Employee benefits expense**

|                | <b>2017</b>   | <b>2016</b>   |
|----------------|---------------|---------------|
|                | <b>£</b>      | <b>£</b>      |
| Other benefits | <b>30,253</b> | <b>26,922</b> |

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**9. Income tax expense**

|                     | <b>2017</b> | <b>2016</b> |
|---------------------|-------------|-------------|
|                     | <b>£</b>    | <b>£</b>    |
| <b>Current tax:</b> |             |             |
| Current tax charge  | -           | -           |

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**Factors affecting the tax charge for the year**

The tax assessed for the year is lower (2017: lower) than the standard rate of company tax in the UK of 19% (2016: 20%). The differences are explained below:

|  | <b>2017</b>    | <b>2016</b>      |
|--|----------------|------------------|
|  | <b>£</b>       | <b>£</b>         |
| Profit/(loss) before taxation  | <b>13,609</b>  | <b>(137,808)</b> |
| Tax on results before taxation at the standard tax rate of 19% (2016: 20%) | <b>2,586</b>   | <b>(27,562)</b>  |
| Effect of:   |                |                  |
| Non-taxable income   | <b>(4,406)</b> | -                |
| Deferred tax not recognised  | <b>1,820</b>   | <b>27,562</b>    |
| <b>Total current tax charge</b>  | <b>-</b>       | <b>-</b>         |

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Trading losses available to be carried forward amount to £1,051,943 (2016: £1,042,364).

**Deferred tax assets**

The standard tax rate was revised from 20% in 2016 to 19% starting from 1 April 2017. At the year end the Company had a net potential deferred tax asset amounting to approximately £199,869 (2016: £208,473) due to timing differences between certain items for tax and accounting. As the Company has no history of consistent profits, no deferred tax assets have been recognised to date.

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

**10. Plant and equipment**

|  | <b>IT equipment<br/>£</b> |
|--|---------------------------|
| <b>Cost</b>                            |                           |
| At 1 January 2016                      | –                         |
| Additions                              | 1,050                     |
|  | <hr/>                     |
| As 31 December 2016 and 1 January 2017 | 1,050                     |
| Additions                              | 985                       |
|  | <hr/>                     |
| As 31 December 2017                    | 2,035                     |
|  | <hr/>                     |
| <b>Accumulated amortization</b>        |                           |
| At 1 January 2016                      | –                         |
| Depreciation                           | (22)                      |
|  | <hr/>                     |
| At 31 December 2016 and 1 January 2017 | (22)                      |
| Depreciation                           | (468)                     |
|  | <hr/>                     |
| At 31 December 2017                    | (490)                     |
|  | <hr/>                     |
| <b>Net book value</b>                  |                           |
| 31 December 2016                       | 1,028                     |
|  | <hr/>                     |
| 31 December 2017                       | 1,545                     |
|  | <hr/>                     |

**11. Trade and other receivables**

|  | <b>2017<br/>£</b> | <b>2016<br/>£</b> |
|--|-------------------|-------------------|
| Receivables from related companies (Note 20) | 2,978,129         | 2,936,968         |
| Other receivables                            | 5,759             | 6,813             |
| Deposits                                     | 8,784             | 8,784             |
| Prepayments                                  | 11,712            | 8,093             |
| Less: Allowance for impairment (Note 20)     | (133,781)         | (153,919)         |
|  | <hr/>             | <hr/>             |
|  | 2,870,603         | 2,806,739         |
|  | <hr/>             | <hr/>             |

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

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**11. Trade and other receivables (cont'd)**

As at 31 December 2017, accumulated allowance for impairment of £133,781 (2016: £153,919) was made on amounts due from related companies with gross amount of £2,978,129 (2016: £2,936,968). See below for the movements in the allowance for impairment of receivables:

|                | 2017<br>£ | 2016<br>£ |
|----------------|-----------|-----------|
| At 1 January   | (153,919) | (350,938) |
| Write back     | 20,138    | 197,019   |
|                | <hr/>     | <hr/>     |
| At 31 December | (133,781) | (153,919) |

Amounts receivables from related companies are unsecured and repayable on demand. The net total amount owed carries an interest rate based on Singapore Interbank Offered Rate plus 2.5% (2016: Bank of England based rate plus 2% per annum) calculated on the average balance each calendar month. All other receivables are due within one year of the balance sheet date and carry no interest.

**12. Cash and cash equivalents**

|                        | 2017<br>£ | 2016<br>£ |
|------------------------|-----------|-----------|
| Cash and bank balances | 7,551     | 44,935    |
|                        | <hr/>     | <hr/>     |

Cash is held at a bank with a credit rating of Aa3 (2016: Aa3).

**12.1 Currency split of cash and cash equivalents stated in GBP equivalents**

|                       | 2017<br>£ | 2016<br>£ |
|-----------------------|-----------|-----------|
| Great British Pounds  | 7,060     | 44,341    |
| United States Dollars | 491       | 594       |
|                       | <hr/>     | <hr/>     |
|                       | 7,551     | 44,935    |

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

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**13. Issued capital**

|   | Share capital |         |
|---|---------------|---------|
|   | 2017          | 2016    |
|   | £             | £       |
| Issued 50,000 (2016: 50,000) fully paid ordinary shares of 1p       | 500           | 500     |
| Authorised share capital 10,000,000 (2016: 10,000,000) shares of 1p | 100,000       | 100,000 |

The Company has only one class of share in issue and there is no new share issuance within the year.

**14. Other payables**

|   | 2017             | 2016             |
|---|------------------|------------------|
|   | £                | £                |
| Other creditors                                 | 12,594           | 9,874            |
| Payables to immediate holding company (Note 20) | 4,723,970        | 4,668,711        |
| Payables to ultimate holding company (Note 20)  | –                | 1,429            |
| Payables to related companies (Note 20)         | 530,137          | 572,617          |
| Accruals  | 23,738           | 24,420           |
|   | <b>5,290,439</b> | <b>5,277,051</b> |

The ageing of the other creditors is detailed below:

|              |        |       |
|--------------|--------|-------|
| 0 to 30 days | 12,594 | 9,874 |
|--------------|--------|-------|

The majority of other creditors are repayable in GBP (2016: GBP).

The payables to group companies are unsecured and repayable on demand. The net total amount owed carries an interest rate based on Singapore Interbank Offered Rate plus 2.5% per annum (2016: Bank of England base rate plus 2% per annum) calculated on the average balance each calendar month.

**15. Director's emoluments**

Director's emoluments comprise salary, bonus and other benefits. There were no remuneration and pension contributions paid for director which require disclosure.

**16. Contingent assets and liabilities**

The Company did not have any contingent assets or liabilities as at 31 December 2017 (2016: nil).

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

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**17. Commitments to expenditure**

*Operating lease commitments – where the company is a lessee*

The Company leases office from non-related party under non-cancellable operating lease agreement.

The future minimum lease payables under non-cancellable operating leases contracted for that the balance sheet dates but not recognised as liabilities, are as follows:

|                            | 2017<br>£     | 2016<br>£      |
|----------------------------|---------------|----------------|
| Not later than one year    | 49,472        | 52,704         |
| Between one and five years | –             | 48,312         |
|                            | <u>49,472</u> | <u>101,016</u> |

**18. Financial risk management**

The Company carries out detailed risk management reviews to ensure that the risks are mitigated where possible. The director believes that the Company faces the following risks:

**(a) Fair values**

Cash and cash equivalents have a remaining maturity of less than three months and hence the amount is considered to approximate fair value.

For receivables and payables with a remaining life of less than six months or demand balances, the carrying value less impairment provision where appropriate is considered to approximate fair value. All other receivables and payables are discounted to fair value in the balance sheet.

**(b) Credit risk**

The Company's business is conducted primarily with related companies. The related companies' payment profile and credit exposure are continuously monitored by management.

The maximum exposure to credit risk is represented by the carrying amount of each trade receivable in the balance sheet.

The Company holds cash in approved financial institutions that have at least an investment grade credit rating. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet, as shown in the financial statements.

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

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**18. Financial risk management (cont'd)**

**(c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquid resources comprise of cash and cash equivalents. The Company's objectives when managing its liquid resources are:

- to ensure that it will always have sufficient funds to meet its liabilities as they fall due;
- to have available the necessary financial resources to allow us to invest in areas that may deliver future benefits to the Group's portfolio and create value for shareholders;
- and to maintain sufficient financial resources to mitigate against risks and unforeseen events.

At 31 December 2017 and 2016, the Company had interest bearing liabilities. The Company's liquid resources are set out in the financial statements. The Company is dependent on the support of its ultimate holding company for liquidity.

**(d) Interest rate risk**

Liquid funds are invested primarily in Great British Pounds and United States Dollars. The Company has loan receivables from and payables to group companies linked to the Singapore Interbank Offered Rate, which will affect the amount of net interest payable.

**(e) Currency risk**

Great British Pounds, Euros, and United States Dollars are the primary currencies in which the Company conducts business. Great British Pounds are used for planning and budgetary purposes and as the presentation currency for financial reporting.

The principal risks to which the Company is exposed are movements in the exchange rates of the Euros and the United States Dollars against the Great British Pounds. Owing to the composition of the currency of the Company's external debtors and creditors as at 31 December 2017, a strengthening/(weakening) of the Great British Pounds against the United States Dollars by 1% would increase/(decrease) results for the Company of approximately £11,105 (2016: £10,763), whereas a strengthening/(weakening) of the Great British Pounds against the Euros by 1% would increase/(decrease) results for the Company of approximately £7,846 (2016: £7,580).

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

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**18. Financial risk management (cont'd)**

**(f) Capital risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company's overall strategy remains unchanged from the prior year.

In order to maintain or adjust the capital structure, the Company may adjust the amount of capital returned to shareholder, issue new shares or sell assets to reduce debt.

The Company is not subject to any externally imposed capital requirements.

**(g) Financial Instruments by category**

The aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost are as follows:

|   | 2017<br>£        | 2016<br>£        |
|---|------------------|------------------|
| Trade and other receivables (Note 11)   | 2,870,603        | 2,806,739        |
| Cash and cash equivalents (Note 12)     | 7,551            | 44,935           |
| Less: Prepayments (Note 11)             | (11,712)         | (8,093)          |
| Loans and receivables                   | <u>2,866,442</u> | <u>2,843,581</u> |
| Other payables (Note 14)                | <u>5,290,439</u> | <u>5,277,051</u> |
| Financial liabilities at amortised cost | <u>5,290,439</u> | <u>5,277,051</u> |



**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

**19. Operating costs**

|                                | 2017<br>£      | 2016<br>£      |
|--------------------------------|----------------|----------------|
| Staff costs                    | 30,253         | 26,922         |
| Occupancy costs                | 61,844         | 49,860         |
| Write off of intra-group debts | -              | 824            |
| Travel expenses                | 39,329         | 51,173         |
| Professional fees              | 13,434         | 5,744          |
| Audit fees                     | 6,251          | 7,074          |
| Depreciation                   | 468            | 22             |
| Other expenses                 | 3,633          | 5,096          |
|                                | <b>155,212</b> | <b>146,715</b> |

These costs comprise operating costs as reported in the statement of comprehensive income.

**20. Related party transactions**

|   | Sales of services |                | Payments for interest<br>and services |               |
|---|-------------------|----------------|---------------------------------------|---------------|
|   | 2017<br>£         | 2016<br>£      | 2017<br>£                             | 2016<br>£     |
| <b>Intermediate holding company</b>   |                   |                |                                       |               |
| Sindicatum Sustainable Resources<br>Management Pte. Limited                 | -                 | -              | 89,335                                | 68,897        |
| <b>Related companies</b>  |                   |                |                                       |               |
| Sindicatum Carbon & Energy<br>Management Limited                            | 171,583           | 102,580        | -                                     | -             |
| Sindicatum Carbon Capital (NZEM)<br>Pte Limited                             | -                 | 29,124         | -                                     | -             |
| Sindicatum Carbon Capital (Hydro)<br>Pte Limited                            | -                 | -              | -                                     | -             |
| Verdeo Sindicatum Corp.   | -                 | 24,088         | -                                     | -             |
| Beijing Sindicatum Clean Energy<br>Technology & Services Company<br>Limited | -                 | 280            | -                                     | -             |
|   | <b>171,583</b>    | <b>156,072</b> | <b>89,335</b>                         | <b>68,897</b> |

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

**20. Related party transactions (cont'd)**

|   | Amount owned by Group companies |                  | Amount owed to Group companies |                  |
|---|---------------------------------|------------------|--------------------------------|------------------|
|   | 2017                            | 2016             | 2017                           | 2016             |
|   | £                               | £                | £                              | £                |
| <b>Ultimate holding company</b>                               |                                 |                  |                                |                  |
| Sindicatum Sustainable Resources Pte. Limited                 | -                               | -                | -                              | 1,429            |
| <b>Immediate holding companies</b>                            |                                 |                  |                                |                  |
| Sindicatum Sustainable Resources Management Pte. Limited      | -                               | -                | 4,723,970                      | 4,668,711        |
| <b>Related companies</b>                                      |                                 |                  |                                |                  |
| Sindicatum Carbon Capital Limited                             | -                               | -                | 530,137                        | 572,617          |
| Sindicatum Carbon & Energy Management Limited                 | 2,842,704                       | 2,778,537        | -                              | -                |
| Sindicatum Carbon Capital (Hydro) Pte Limited                 | -                               | 4,512            | -                              | -                |
| Sindicatum Carbon & Energy Management (Singapore) Pte Limited | 1,644                           | -                | -                              | -                |
|   | <b>2,844,348</b>                | <b>2,783,049</b> | <b>5,254,107</b>               | <b>5,242,757</b> |

The above balances include payments made on behalf of Group companies and recharges of services to/from Group companies.

**Sindicatum Carbon Capital Services Limited**

**Notes to the financial statements  
For the financial year ended 31 December 2017**

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**21. Ultimate parent company and controlling party**

The immediate parent company is Sindicatum Sustainable Resources Management Pte. Limited.

The ultimate parent company and controlling party is Sindicatum Sustainable Resources Pte. Limited, a company incorporated in Singapore.

Sindicatum Sustainable Resources Pte. Limited is the parent company of the largest group of undertakings to consolidate these financial statements at 31 March 2018. The consolidated financial statements of Sindicatum Sustainable Resources Pte. Limited is available at 80 Anson Road #28-02 Fuji Xerox Towers Singapore 079907.

**22. Authorisation of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the directors of Sindicatum Carbon Capital Services Limited on 26 September 2018.