TERSUS ENERGY LIMITED

ANNUAL REPORT AND ACCOUNTS

31 DECEMBER 2020

Company no 5314207

The directors present their annual report together with the financial statements of the Company for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

A review of the Company's performance and the activities of the Group is contained on pages 3 to 7.

Historically, the principal activities of the Company were to invest in, operate and advise businesses in the renewable energy sector. For some years, the principal objective of the business has been to realise the value of its investments to maximise the return to shareholders.

As explained below, the Company sold Envinta Corp., its US subsidiary that was the only revenue generating part of the Group, on 30 June 2021 for a nominal amount. The decision to sell was taken following the resignation of Envinta Corp's key employee and an updated assessment of the market valuation and prospects for selling the business.

The Company continues to hold its investments in TWELP and TWELP 2, which have been carried in the accounts at nil value for some years, as there is considerable uncertainty in any future value. There has been no change in the position reported to shareholders last year. Accordingly, the directors consider that these investments have no value.

As a consequence of both the above, the directors have decided that, at an appropriate time, they will take the necessary steps that, subject to shareholder approval, will lead to the appointment of a liquidator to wind up the affairs of the company as a members' voluntary liquidation. As part of the winding up process, the liquidator will distribute capital to shareholders.

POST BALANCE SHEET EVENTS

Envinta Corp., the Company's wholly-owned US subsidiary, provides strategic energy and environmental diagnostic tools, principally to utilities. Its annual revenues have declined progressively over recent years and there was a further significant reduction in 2020. Envinta Corp. made a loss of $82,943 in 2020. It was hoped there would be some recovery in 2021 with results moving towards break-even. In April 2021, however, the manager of Envinta Corp. unexpectedly gave notice of his intention to resign with effect from 30 June 2021. The manager, Stuart Moulder, was key to the running of Envinta Corp..

Continuation of the status quo would require the recruitment and training of a replacement manager. However, this option was not considered feasible in relation to both the timescale required and the costs involved, given the fact that Envinta Corp. was loss-making.

In previous years the Company made a number of attempts to find a buyer for Envinta Corp.. These attempts were unsuccessful, largely because the business was considered to be too small and to have limited future growth potential. Given the further reduction in revenue in 2020, it was clear it would not be possible to find a buyer for Envinta Corp.

It was nevertheless considered necessary to arrange business continuity to ensure Envinta Corp. completed its obligations under existing contracts, so avoiding any potential claims for breach of contract.

It was agreed to sell Envinta Corp, as at 30 June 2021 for a nominal sum of $10 to Encap Assets LLC, a US services company in which a director, Steven Levine, is a majority shareholder. Having regard to all the circumstances, it was considered this arrangement would provide the best opportunity for Envinta Corp. to continue its operations or, alternatively, to complete existing contracts and wind down activities in an orderly manner. Steven Levine's existing knowledge of the business would facilitate this process.

Under the terms of the sale agreement, Envinta Corp. will pay the amount owed for back office services and management and executive services provided up to 30 June 2021 by the Company over a 12-month period from July 2021 provided Envinta Corp has the cash funds available. The amount owed is US$48,000 of which US$24,000 relates to the period prior to 31 December 2020. The directors consider it is unlikely that Envinta Corp. will generate surplus cash and, accordingly, have made full provision against the amount owed.

STATUTORY MATTERS

As in previous accounting periods, the Company has taken advantage of Companies Act 2006 enabling provisions that allow the Company not to prepare group accounts and to be exempt from the audit of its accounts.

RESULTS AND DIVIDENDS

The results for the year ended 31 December 2020 are shown in the Profit and Loss Account on page 9. The loss for the year after tax amounted to £39,079 (2019 – profit of £2,549). The directors are not proposing payment of a dividend for the year (2019 – nil).

DIRECTORS

The directors during the year to 31 December 2020 were:

S P Levine (Chief Executive Officer)
D T Wilson (Chief Operating Officer and Finance Director)

Steven Levine (Chief Executive Officer)

Steve Levine is an energy services executive and attorney with extensive experience developing and financing domestic and international energy projects and managing related businesses. He was previously VP of New Energy, Inc. (now Constellation New Energy), one of the largest US deregulated electricity power retailers. He is a former president of Metro Energy, L.L.C., a private New York City based utility.

David Wilson (Chief Operating Officer and Finance Director)

David Wilson was a director of Hilton International Plc with responsibilities for finance and for identifying and negotiating new business opportunities, and previously a partner in Ernst & Young with responsibility for services to small and medium-sized enterprises.

Directors and their shareholdings

The interests of the directors who served during the year in the shares of the Company were as follows:

	As at 31 December 2020		As at 31 December 2019	
	Number of ordinary shares	Percentage of issued ordinary shares	Number of ordinary shares	Percentage of issued ordinary shares
S P Levine	358	4.06	358	4.06
D T Wilson	3,142	35.66	3,142	35.66

No changes in the directors' share interests have taken place between 31 December 2020 and 2 September 2021.

Under the provisions of the Company's Articles of Association D T Wilson shall retire from office at the Annual General Meeting of the Company and, being eligible, offers himself for re-election.

OTHER MATTERS

Communication with shareholders on remuneration matters is undertaken by way of this report and the detailed disclosure of remuneration provided by note 7 to the financial statements.

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Report of the directors 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 Company's 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 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;
- state whether applicable UK Accounting Standards 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INVESTMENTS

The Company's investments at 31 December 2020 were:

- Its 100 per cent ownership of Envinta Corp. ("Envinta")
- Its approximately 1.3 per cent investment in Zhong Hang (Baoding) Huiteng Wind Power Equipment Company Ltd ("HT Blade"), which is held through its 9.075 per cent partnership interest in Tang Wind Energy LP ("TWELP"), a Texan limited partnership
- Its 12.1 per cent partnership interest in TWE II LP ("TWELP 2"), a Texan limited partnership.

The Company's investment in Envinta was sold on 30 June 2021.

Principles of valuation of fixed asset investments, including subsidiaries

Fixed asset investments are shown at cost, less provision for any permanent impairment of value, where cost includes the associated costs of acquisition.

When considering if there has been a permanent impairment in an investment's value, the directors assess the value of an investment, having regard to the requirement to apply a degree of caution in making the necessary assessments. In making these assessments, the directors use a methodology which is appropriate in light of the nature, facts and circumstances of the investment and its materiality in the context of the total investment portfolio.

Investment in Envinta Corp. "Envinta"
As reported above, subsequent to the year-end Envinta was sold for US$10 on 30 June 2021.

Accordingly, a further provision of £49,735 (2019 - nil) was made in the accounts for the year to 31 December 2020 to reduce the net book amount from £49,743 at 31 December 2019 to £8, the amount realised on its sale.

As previously reported, the annual revenues of Envinta have declined progressively in recent years. The revenue achieved in 2020 was US$301,644 compared with US$425,105 in 2019. Envinta Corp. made a loss of $82,943 in 2020. While it was hoped there would be some recovery in 2021 with results moving towards break-even, this has not proved to be the case. Despite efforts in previous years to seek a buyer for the business consistent with the Company's overall strategy of realising investments and minimising running costs, it has not proved possible to find a buyer.

Investment in TWELP
In 2008, the Company received approximately US$2.19 million when it disposed of 25 per cent of its then 12.1 per cent interest in TWELP, whose main asset is its indirect minority holding in HT Blade. The Board has been unable to obtain up to date information on developments affecting HT Blade from the general partner of TWELP. It understands HT Blade was loss-making in each of 2011, 2012 and 2013 but has no information on later years. As in previous years, the Board considers that the Company's investment in TWELP has no value.

Investment in TWELP 2

The Company received distributions of approximately US$1.45 million in 2008 and a further US$484,000 in 2012 (made from the profit on the sale by TWELP of part of its interest in HT Blade). At 31 December 2012, TWELP 2 had cash or cash equivalent assets which, if distributed, would result in a further distribution to the Company of approximately US$500,000. The general partner declined to make such a distribution and, in the four years up to 31 December 2016, the general partner disbursed US$4.5 million as management fees, so reducing TWELP 2's cash or cash equivalent assets to US$111,000 by that date. At 31 December 2019, being the latest date for which the Company has received information from the general partner, TWELP 2's cash or cash equivalent assets were US$62,038. The Company does not know what the current cash balances are.

TWELP 2 also continued to have a loan balance of some US$12.2 million as at 31 December 2019 relating to a loan to a Texan partnership connected with the general partner. The Company has been unable to establish why this amount was lent to this partnership. No value has been attributed to the loan balance when assessing the value of the Company's investment in TWELP 2. Accordingly, as in the previous period, the value of the investment has again been assessed at nil.

Future value in TWELP and TWELP 2

The Board is aware of a dispute between the general partner of TWELP and Chinese State Owned Enterprises, which are the majority shareholders of HT Blade. This dispute is currently the subject of legal action in the USA courts, and relates, inter alia, to the management of HT Blade as well as other alleged actions by the Chinese State Owned Enterprises. Your Board believes that the claim relating to HT Blade has been rejected. Any future value in TWELP 2 seems likely to be dependent on other aspects of this legal action being resolved in favour of the general partner or related entities and on part of any moneys received being applied towards repayment of the loan due to TWELP 2. The Board has a continuing dispute with the general partner of TWELP 2 regarding its management of TWELP 2's funds. The Board believes the legal action against the Chinese State Owned Enterprises will not be settled favourably. Similarly, the Board believes that any possible discussions or litigation between the Company and the general partner of TWELP 2 are unlikely to be settled in the Company's favour. Accordingly, your Board considers there is no justification for attributing a value to its partnership interest in either TWELP or TWELP 2.

Results for 2020 and operating costs

The loss for the year was £39,079, compared with a profit of £2,549 in the previous year. The fees receivable from Envinta were £37,379 ($48,000) compared with £39,113 ($48,000) in 2019. The loss is stated after including a write-down of £49,735 in the value of the investment in Envinta Corp. to reflect the amount receivable on its sale in June 2021 and a provision of £17,349 in respect of the amount owed by Envinta Corp. at the year-end (see above). The results also include net exchange gains of £11,674. The net exchange gains arise largely from the transfer of $160,000 funds into sterling in March 2020 at an average rate of exchange of approximately 1.188 US$:£, which locked in a gain of £14,000 compared with the year-end carrying value. The balance of the exchange difference arises from exchange differences on US$ balances held. The 2019 results included net exchange losses of £5,104.

The Company's running costs in 2020 were approximately £21,000 which included company secretarial, insurance, sundry professional costs, office and communication costs.

Directors' remuneration

During the year to 31 December 2020, the two executive directors received emoluments equivalent to £26,017 in aggregate, to reflect their time commitment on matters relating to the Company's affairs and investment portfolio.

Future direction of the business

As stated in the business review, the sale of Envinta Corp. in June 2021 has prompted the directors to consider the Board's strategy. While your board has been reluctant to forgo any opportunity for future value, it now considers there is very little likelihood of realising any value on the Company's investments in TWELP and TWELP 2. In addition, following the sale of Envinta Corp., the Group is no longer able to generate future revenue to meet the Company's running costs.

As a consequence, the directors have decided it would be in the best interest of shareholders for them, at an appropriate time, to take the necessary steps that, subject to shareholder approval, will lead to the appointment of a liquidator to wind up the affairs of the Company as a members' voluntary liquidation. As part of the winding up process, the liquidator will distribute capital to shareholders.

GOING CONCERN

As the directors have decided that in due course it would be in the best interests of shareholders to wind up the affairs of the Company by means of a members' voluntary liquidation, it is not appropriate to prepare the financial statements for the year ended 31 December 2020 on a going concern basis. However, no adjustments are required to be made to the financial statements as a result of preparing them on a basis other than that of a going concern.

The directors confirm they are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future.

ANNUAL GENERAL MEETING

This year's annual general meeting will be held at 3.00 pm on 29 September 2021 at 44 Kensington Park Gardens, London W11 2QT. The notice of meeting is set out on pages 21 and 22 of this document.

It is now possible under UK Government guidelines to allow shareholders to attend the AGM and therefore we welcome shareholders to attend the AGM within safety constraints and in accordance with government guidelines. Shareholders wishing to appoint a proxy are encouraged to appoint the Chairman as their proxy with their voting instructions.

Details of the business to be considered at the meeting are given below.

Report and accounts (Resolution 1)
It is a requirement of company law that the annual report and accounts is laid before shareholders in general meeting.

Re-election of director (Resolution 2)
In accordance with article 92.1 of the articles of association, one-third of the directors retire from office each year. Accordingly, David Wilson offers himself for re-election. His biographical details are given on page 3.

Voting
A form of proxy is being sent to shareholders for use at the Annual General Meeting. This should be completed, signed and returned as soon as possible in accordance with the instructions on it. It is now possible under UK Government guidelines to allow shareholders to attend the AGM and therefore we welcome shareholders to attend the AGM within safety constraints and in accordance with government guidelines. Shareholders wishing to appoint a proxy are encouraged to appoint the Chairman as their proxy with their voting instructions. A form of proxy should be returned so that it is received not less than 48 hours (excluding non-working days) before the time of the meeting.

The directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. The directors will be voting in favour of them and unanimously recommend that shareholders do so as well.

BY ORDER OF THE BOARD

D T Wilson

Director and Company Secretary

2 September 2021

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2020

	Note	2020	2019
		£	£
Turnover	5	37,379	39,113
Administrative expenses	6	(26,725)	(36,525)
Provision for impairment of value in investments	10	(49,733)	(39)
(Loss)/ profit on ordinary activities before taxation	6	(39,079)	2,549
Taxation	8	-	-
(Loss)/ profit for the year		(39,079)	2,549
Earnings per share			
Basic and diluted earnings per share	9	£(4.44)	28.9p

The accompanying accounting policies and notes form an integral part of these statements.

BALANCE SHEET

As at 31 December 2020

	Note	31 December 2020 £	31 December 2019 £
FIXED ASSETS			
Investments	10	16	49,749
		16	49,749
Current assets			
Debtors – amounts due within one year	11	3,133	39,052
Cash at bank and in hand	12	261,823	206,648
		264,956	245,700
Creditors: amounts falling due within one year	13	(133,370)	(124,768)
Net current assets		131,586	120,932
Total assets less current liabilities		131,602	170,681
Capital and reserves			
Called up share capital	14	11,012	11,012
Profit and loss account	15	120,590	159,669
Shareholders' funds		131,602	170,681

For the year ending 31 December 2020 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts
- these accounts 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 on 2 September 2021**.**

D T Wilson
Director

Company no 5314207

The accompanying accounting policies and notes form an integral part of these statements.

CASH FLOW STATEMENT

As at 31 December 2020

	2020	2019
	£	£
Cash flow from operating activities		
(Loss)/ profit before taxation	(39,079)	2,549
Adjustments for:		
Provision for impairment of value in investments	49,733	40
Foreign exchange	(11,675)	5,105
Change in trade and other receivables	40,016	(20,535)
Change in trade and other payables	8,602	1,941
Cash inflow from operations	47,597	(10,900)
Taxation	-	-
Net cash flow from operating activities	47,597	(10,900)
Cash flows from financing activities		
Capital repayments to shareholders	-	(8,250)
Net cash generated from financing activities	-	(8,250)
Net change in cash and cash equivalents	47,597	(19,150)
Cash and cash equivalents at beginning of year	206,648	228,381
Exchange differences on cash and cash equivalents	7,578	(2,583)
Cash and cash equivalents at end of year	261,823	206,648
Cash and cash equivalents comprise:		
Cash at bank and in hand	261,823	206,648

The accompanying accounting policies and notes form an integral part of these statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020

	Called-up share capital	Profit and loss account	Total
	£	£	£
At 31 December 2018	11,012	157,120	168,132
Profit and total comprehensive income for the year		2,549	2,549
At 31 December 2019	11,012	159,669	170,681
Loss and total comprehensive expense for the year		(39,079)	(39,079)
At 31 December 2020	11,012	120,590	131,602

The accompanying accounting policies and notes form an integral part of these statements.

1 COMPANY INFORMATION

The Company is a private limited company, which is incorporated in England and Wales with company registration number 5314207. The address of the registered office of the Company is 44 Kensington Park Gardens, London W11 2QT.

2 BASIS OF PREPARATION

The financial statements relate to the year ended 31 December 2020. The comparative figures relate to the year ended 31 December 2019.

As in previous accounting periods, the Company has taken advantage of Companies Act 2006 enabling provisions that allow the Company not to prepare group accounts and to be exempt from the audit of its accounts.

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in sterling, which is the functional currency.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the periods presented, unless otherwise stated.

GOING CONCERN

As the directors have decided that in due course it would be in the best interests of shareholders to wind up the affairs of the Company by means of a members' voluntary liquidation, it is not appropriate to prepare the financial statements for the year ended 31 December 2020 on a going concern basis. However, no adjustments are required to be made to the financial statements as a result of preparing them on a basis other than that of a going concern.

The directors confirm they are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have prepared cash flow forecasts for the period to 31 December 2022, which show that the Company will have adequate resources for this period.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Although these estimates are based on management's best knowledge of the amount, event or action, actual results may differ materially from those estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities relate to:

- the assessment of whether there has been any impairment in respect of unlisted investments, which are valued on the bases set out in the Report of the directors
- the assessment of whether there has been any impairment in respect of subsidiaries
- the likelihood, timing and amount of cash flows.

4 PRINCIPAL ACCOUNTING POLICIES

REVENUE
Revenue is measured at the fair value of the consideration received or receivable from third parties for services provided in the normal course of business, net of value added tax and other sales taxes.

FIXED ASSET INVESTMENTS
Fixed asset investments, including subsidiaries, are shown at cost, less provision for any permanent impairment of value. Cost includes the associated costs of acquisition.

DISPOSAL OF ASSETS
The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in the income statement.

TAXATION
Current tax is the tax currently payable based on taxable profits for the period using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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 reporting 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 reporting date.

Tax expense or income is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense or income.

FOREIGN CURRENCIES
Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the profit or loss in the period in which they arise.

5 TURNOVER

Turnover, which excludes value added tax and other sales taxes, represents the invoiced value of services supplied to third parties, including group companies.

6 (LOSS)/ PROFIT BEFORE TAX

The (loss)/ profit on ordinary activities before taxation is stated after charging/ (crediting):

	2020	2019
	£	£
Provision for amount due from Envinta Corp. (see note 19)	17,349	-
Net exchange (gains)/ losses	(11,675)	5,105

7 DIRECTORS AND EMPLOYEES

The average monthly number of employees of the Company (including directors) during the year was 2 (2019 – 2) and the aggregate remuneration paid by the Company comprised:

	2020	2019
	£	£
Wages and salaries	12,000	12,000
Social security costs	-	-
	12,000	12,000

Directors' emoluments

For the year ended 31 December 2020

	Fees	Benefits in kind	Total
	£	£	£
Executive Directors			
S P Levine	-	14,017	14,017
D T Wilson	12,000	-	12,000
	12,000	14,017	26,017

For the year ended 31 December 2019

	Fees	Benefits in kind	Total
	£	£	£
Executive Directors			
S P Levine	-	14,093	14,093
D T Wilson	12,000	-	12,000
	12,000	14,093	26,093

The benefits in kind for S P Levine, which comprise healthcare costs, were provided by a subsidiary in both years.

8 TAXATION

	2020 £	2019 £
UK corporation tax	-	-
Overseas withholding tax on dividend	-	-
Tax charge	-	-

The tax for the year can be reconciled to the accounting profit as follows:

	2020 £	2019 £
(Loss)/ profit on ordinary activities before tax	(39,079)	2,549
(Loss)/ profit on ordinary activities at the effective standard rate of corporation tax in the UK of 19% (2019 – 19%)	(7,425)	484
Effects of:		
Items not deductible for tax purposes/ subject to tax	9,449	120
Tax losses utilised	(2,024)	(604)
Total tax charge for the year	-	-

The Company has tax losses at 31 December 2020 of approximately £2,397,000 (2019 - £2,401,000). These tax losses will be available to reduce any tax due on future profits.

No deferred tax asset has been recognised due to the uncertainty of the recoverability of the asset and its timing. The asset will be recovered in line with future profits. The unrecognised deferred tax asset of £455,000 (2019 - £456,000) relates to tax losses carried forward.

9 EARNINGS PER ORDINARY SHARE

The calculation of the basic earnings per share is based on a loss of £39,079 (2019 – profit of £2,549) and the weighted average number of shares in issue of 8,810 (2019 - 8,810).

10 INVESTMENTS

	Shares in group companies (a)	Investments (b)	Total
Cost	**£**	**£**	**£**
At 31 December 2019	1,054,743	1,943,851	2,998,594
Disposals	-	(973,268)	(973,268)
At 31 December 2020	1,054,743	970,583	2,998,594
Provision for impairment in value			
At 31 December 2019	(1,005,000)	(1,943,845)	(2,948,805)
Additions in year	(49,735)	2	(49,733)
Disposals	-	973,268	973,268
At 31 December 2020	(1,054,735)	(970,575)	(2,998,538)
Net book amount			
At 31 December 2020	8	8	16
At 31 December 2019	49,743	6	49,749

(a) The provision for impairment in the value of Envinta Corp. was increased by £49,735 during the year (2019 – nil) to reduce the net book amount from £49,743 at 31 December 2019 to £8, the amount realised on its sale on 30 June 2021 (see note 19). The total provision made in respect of this investment is £1,054,735 (2019 - £1,005,000). Information on Envinta Corp. is given below.

(b) The value of the investment in TWELP has been assessed as nil (2019 – nil) in view of the uncertainty regarding the current and future business performance of HT Blade and the future intentions of the majority shareholders. The value of the investment in TWELP 2 has continued to be assessed as nil (2019 – nil) as there is no indication of the amount, if any, that will be realised for the loan asset in TWELP 2 or of the timing of such realisation. While the investment could have a substantial value if the realisable value of the loan asset in TWELP 2 of some US$12 million were substantial (see page 6), as the Company holds a 12.1% partnership interest in TWELP 2, the directors consider there is now no likelihood of any amount being realised.

(c) The fixed asset investments include investments in both shares and convertible loans. All investments are unlisted. Investments in three companies which were held at nil value and have since been dissolved have been written out of the books.

10 INVESTMENTS (continued)

The Company had one directly-held subsidiary at the end of the year:

Subsidiary	Country of registration and operation	Class of share	Percentage held	Activities
Envinta Corp.	Delaware, USA	Ordinary	100%	Developer of energy and environmental information software

Envinta Corp. has a financial year end of 31 December. The information below is extracted from its accounts for the years ended 31 December 2020, 31 December 2019 and 31 December 2018:

	2020 US$	2019 US$	2018 US$
Capital and reserves at the financial year end	105,495	188,438	216,427
Revenue for the year	301,644	425,106	576,568
Loss after taxation for the year	(82,943)	(27,989)	(38,117)

11 DEBTORS

	2020 £	2019 £
Amounts falling due within one year		
Amounts owed by subsidiary (see note 19)	-	36,090
Prepayments	2,775	2,609
Other debtors	358	353
	3,133	39,052

12 CASH AT BANK AND IN HAND

Cash includes £8,790 (2019 - £75,388) of US$ funds held as client funds with a foreign exchange broker pending their sale for sterling.

13 CREDITORS

	2020 £	2019 £
Accruals	86,520	77,918
Amount owed to shareholders – capital repayments (a)	46,850	46,850
	133,370	124,768

(a) It has not proved possible to make payments due following the capital reduction approved by shareholders in 2018 to those shareholders who have not advised the Company of their current address.

14 CALLED UP SHARE CAPITAL

	2020 £	2019 £
Authorised		
40,000 ordinary shares of £1.25 each	50,000	50,000
Issued and fully paid		
At 1 January and 31 December	11,012	11,012

The number of ordinary shares in issue was 8,810 at both 31 December 2020 and 31 December 2019.

15 RESERVES

Called-up share capital: represents the nominal value of shares that have been issued.

Profit and loss account: includes all current and prior period retained profits and losses.

16 CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2020 or 31 December 2019.

17 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2020 or 31 December 2019.

18 RELATED PARTY TRANSACTIONS

The Company provides back office services on a commercial basis to its wholly-owned subsidiary, Envinta Corp.. The amount charged for the year to 31 December 2020 was US$36,000 (£28,034) (2019 – US$36,000 (£29,335)). The Company also charged an amount of US$12,000 (£9,345) (2019 – US$12,000 (£9,778)) for management and executive services provided to Envinta Corp.. Full provision has been made against the amount owed by Envinta Corp. as at 31 December 2020 (see note 19).

19 POST BALANCE SHEET EVENTS

On 30 June 2021, it was agreed to sell Envinta Corp. for a nominal sum of $10 to Encap Assets LLC, a US energy services company in which a director, Steven Levine, is a majority shareholder.

The sale followed the unexpected resignation of Envinta Corp.'s manager with effect from 30 June 2021.

Following unsuccessful attempts to find a buyer for Envinta Corp.in previous years, it was clear it would not be possible to sell Envinta Corp. as a going concern to a third party.

It was not considered feasible to recruit and train a direct replacement for the manager with the constraints of both time and the resources available.

It was nevertheless considered necessary to arrange business continuity to ensure Envinta Corp. completed its obligations under existing contracts, so avoiding any potential claims for breach of contract.

19 POST BALANCE SHEET EVENTS (continued)

Having regard to all the circumstances, it was considered the sale to Encap Assets LLC would provide the best opportunity for Envinta Corp. to continue its operations or, alternatively, to complete existing contracts and wind down its activities in an orderly manner. Steven Levine’s existing knowledge of the business would facilitate this process.

Under the terms of the sale agreement, Envinta Corp. is to pay the amount owed to the Company for back office services and management and executive services provided up to 30 June 2021 over a 12 month period from July 2021 provided Envinta Corp has the cash funds available. The amount owed is US$48,000 of which US$24,000 relates to the period prior to 31 December 2020. The directors consider it is unlikely that Envinta Corp. will generate surplus cash and, accordingly, have made full provision against the amount owed.

NOTICE OF 2021 ANNUAL GENERAL MEETING OF TERSUS ENERGY LIMITED

Notice is hereby given that the 2021 Annual General Meeting ("**AGM**") of Tersus Energy Limited (the "**Company**") will be held at 44 Kensington Park Gardens, London W11 2QT at 3.00 pm on Wednesday 29 September 2021 to consider and, if thought fit, to pass the following resolutions ("**Resolutions**") which will be proposed as ordinary resolutions:

It is now possible under UK Government guidelines to allow shareholders to attend the AGM and therefore we welcome shareholders to attend the AGM within safety constraints and in accordance with government guidelines. Shareholders wishing to appoint a proxy are encouraged to appoint the Chairman as their proxy with their voting instructions.

ORDINARY RESOLUTIONS

1. **TO** receive and adopt the accounts of the Company for the year ended 31 December 2020 and the report of the directors thereon**.**

2. **TO** re-elect David T Wilson who retires from office in accordance with article 92.1 of the Company's articles of association and who, being eligible, offers himself for re-election, as a Director.

Dated 3 September 2021

Registered office:

44 Kensington Park Gardens
London
W11 2QT

BY ORDER OF THE BOARD

David Wilson
Company Secretary

Notes:

1. An explanation of the proposed resolutions can be found in the Directors' report on page 8.

Right to Appoint a Proxy

2. Members entitled to attend and vote at the AGM are entitled to appoint some other person(s) of their choice as their proxy to exercise all or any of their rights to attend, speak and vote (on a show of hands and on a poll) on their behalf at the AGM. A proxy need not be a member of the Company but must attend the meeting to represent you. The Company encourages shareholders to appoint the Chairman as their proxy with their voting instructions.

3. A member may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to the same shares.

4. A proxy form, which may be used to make such appointment and give proxy instructions, accompanies this notice. If you do not receive a proxy form and believe that you should have one, please contact the Company on + (44) (0)7957 209700 between 9.00 am and 5.30 pm, Monday to Friday. The cost of calls to this mobile number will depend on your telephone provider.

Procedure for Appointing a Proxy

5. If you wish to appoint multiple proxies, please contact the Company using the contact details in note 6 to request additional proxy forms. Alternatively, the proxy form may be photocopied before completion.

6. To be effective, any proxy form must be completed, signed and received by the Company at Tersus Energy Limited, 44 Kensington Park Gardens, London W11 2QT by post or (during normal business hours only) by hand no later than 3.00 pm on 27 September 2021. It should be accompanied by any power of attorney or other authority under which it is signed (or a copy of such power or authority notarially certified or certified in some other way approved by the Company's board of directors).

7. Proxy forms may not be submitted via the Company's website or via any e-mail address set out on the Company's website.

8. The return of a completed proxy form will not prevent a member from attending the AGM and voting in person.

9. In the case of joint holders, the signature of only one of the joint holders is required on the proxy form, but the names of all joint holders should be stated. The vote (whether in person or by proxy) of the first named on the register of members of the Company will be accepted to the exclusion of the other joint holders.

10. In the case of a corporation, the proxy form must be given under its common seal or signed on its behalf by a duly authorised officer or an attorney.

Corporate Representatives

11. A member which is a corporation is entitled to appoint one or more persons to act as the corporate representative or representatives at the meeting and to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member.

Communication

12. You may not use any electronic address provided either in this notice or any related documents (including the Chairman's letter and proxy form) to communicate with the Company for any purposes other than those expressly stated.

SHAREHOLDER INFORMATION

Company registration number	5314207
Registered office	44 Kensington Park Gardens London W11 2QT
Directors	S P Levine *(Chief Executive Officer)* D T Wilson *(Chief Operating Officer and Finance Director)*
Secretary	D T Wilson
Bankers	Lloyds Bank City Office London

United Kingdom office	44 Kensington Park Gardens London W11 2QT	Enquiries: power@tersusenergy.com

Notification of changes to the Company's Share Register:	All correspondence, including share transfer documents where appropriate, should be sent to the Company at: Tersus Energy Limited, 44 Kensington Park Gardens, London W11 2QT.