

**Company Registration No. 4698093  
(England and Wales)**

**ACCELERATING GROWTH FUND LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
31 MARCH 2016**



# ACCELERATING GROWTH FUND LIMITED

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# ACCELERATING GROWTH FUND LIMITED

## COMPANY INFORMATION

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### Directors

S Creed  
L Goodwin  
M Gover  
A Hinton  
J Lea

### Secretary

J Lea

### Registered office

2<sup>nd</sup> Floor  
Blenheim Court  
19 George Street  
Banbury  
OX16 5BH

### Company number

4698093

### Auditor

KPMG LLP  
Altius House  
One North Fourth Street  
Milton Keynes  
MK9 1NE

### Bankers

The Co-operative Bank plc  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

Barclays Bank plc  
Barclays House  
PO Box 1500 Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP

Royal Bank of Scotland  
St Andrew's Square  
Edinburgh  
EH2 2AD

**ACCELERATING GROWTH FUND LIMITED**

**COMPANY INFORMATION (cont.)**

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Lloyds Bank plc  
Faryners House  
25 Monument Street  
London  
EC3R 8BQ

## **ACCELERATING GROWTH FUND LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016**

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The directors present their annual report and financial statements for the year ended 31 March 2016.

The company has been provided with funding, via its parent company the Waste and Resources Action Programme, a registered charity, to operate a number of specific loan funds. These are:

- The On-Farm Anaerobic Digestion Fund was launched with funding of £3m to support farmers in England to build anaerobic digestion capacity to manage their on-farm waste and produce renewable energy. The scheme closed in April 2016.
- The Rural Community Energy Fund (RCEF) was established with the objective of providing funding to rural communities to conduct feasibility studies into renewable energy schemes. The scheme was set up with funding of £15m in March 2013 and launched in June 2013.
- The Circular Economy Investment Fund is a £10m fund that makes investments and loans to companies, principally SMEs, who are investing in or changing to 'circular economy' business models. This is a new focus for AGF's activity and supports the development of WRAP's overall strategy to 'close the loop' in the sectors WRAP focus on – food and drink, textiles, electricals and resource management. The scope includes re-use, recycling and reprocessing. The fund will continue to support Anaerobic Digestion.

Operating surplus before tax and donation for 2015/16 was £201k compared to £484k in the previous year, with lower fee income reflecting the volume of transactions. The provision for taxation that was made in 2014/15 was not required following acceptance of WRAP's charity status by HMRC and has been reversed. Provision has been made to gift the surplus for the year to the parent company.

At 31 March 2016 net current assets were £28,534k (2015: £30,896k) including short term investments of £24,945k. Provisions have been made for impairments to loans receivable. Provision is also made where residual funds in the Loan Funds may be repayable to the provider of funding when the objectives of the programmes have been achieved. After these provisions the net assets were £6,423k compared to £6,907k last year.

## **ACCELERATING GROWTH FUND LIMITED**

### **DIRECTORS' REPORT (cont.) FOR THE YEAR ENDED 31 MARCH 2016**

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#### **Directors**

The following directors have held office during the period:

S Creed  
L Goodwin  
M Gover  
A Hinton (appointed 18/6/15)  
J Lea

#### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### **Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

## ACCELERATING GROWTH FUND LIMITED

### DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2016

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#### Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 the financial reporting standard applicable in the United Kingdom and the Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

#### On behalf of the Board



J Lea  
Director

13 July 2016

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCELERATING GROWTH  
FUND LIMITED  
FOR THE YEAR ENDED 31 MARCH 2016**

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We have audited the financial statements of Accelerating Growth Fund Limited for the year ended 31 March 2016 set out on pages 8 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 102 the financial reporting standard applicable in the United Kingdom and the Republic of Ireland.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 5 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACCELERATING  
GROWTH FUND LIMITED (continued)  
FOR THE YEAR ENDED 31 MARCH 2016**

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**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

*B. J. Stapleton*      *18 July 2016*

**Benjamin Stapleton (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

Altius House  
One North Fourth Street  
Milton Keynes  
MK9 1NE  
United Kingdom

**ACCELERATING GROWTH FUND LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2016**

	<b>Note</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
<b>Income</b>			
Fee income		5,180	177,020
Costs recovered from loan recipients		3,811	20,777
<b>Total income</b>		<u>8,991</u>	<u>197,797</u>
<b>Expenditure</b>			
Direct (expenditure)/income		<u>(65,979)</u>	<u>(84,169)</u>
Administration expenses		<u>(4,774)</u>	<u>(4,766)</u>
<b>Operating surplus/(deficit)</b>		<u>(61,762)</u>	<u>108,862</u>
Interest receivable	<b>2</b>	<u>262,292</u>	<u>374,914</u>
<b>Operating surplus on ordinary activities before taxation</b>		200,530	483,776
Taxation on surplus on ordinary activities	<b>3</b>	<u>78,732</u>	<u>(78,708)</u>
<b>Result for the financial year</b>	<b>4</b>	<u>279,262</u>	<u>405,068</u>
Donation under Gift Aid to parent undertaking		<u>(279,262)</u>	-
<b>Result for the financial year after donation</b>		-	405,068
Dividend paid		<u>(483,776)</u>	-
<b>Total comprehensive (expenditure)/income for the period</b>		<u>(483,776)</u>	<u>405,068</u>
Balance brought forward		<u>6,906,543</u>	<u>6,501,475</u>
<b>Balance carried forward at 31 March</b>		<u>6,422,767</u>	<u>6,906,543</u>

There are no deficits or surpluses for the period other than those reflected above. All activities are continuing.

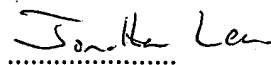
The notes on pages 11 to 16 form part of these financial statements.

# ACCELERATING GROWTH FUND LIMITED

## BALANCE SHEET AS AT 31 MARCH 2016

	Note	2016 £	2015 £
<b>Current assets</b>			
Debtors due after more than one year	5	245,293	1,810,343
Debtors due within one year	6	479,062	217,503
Short term investments	7	24,945,487	27,914,986
Cash at bank and in hand		3,438,079	1,140,411
		<u>29,107,921</u>	<u>31,083,243</u>
<b>Creditors: Amounts falling due within one year</b>	8	<u>(574,354)</u>	<u>(187,502)</u>
<b>Net current assets</b>		<u>28,533,567</u>	<u>30,895,741</u>
<b>Total assets less current liabilities</b>		28,533,567	30,895,741
Provision for liabilities and charges	9	<u>(22,110,799)</u>	<u>(23,989,197)</u>
<b>Net assets</b>		<u>6,422,768</u>	<u>6,906,544</u>
<b>Capital and residual interest</b>			
Called up share capital	10	1	1
Residual interest	11	6,422,767	6,906,543
		<u>6,422,768</u>	<u>6,906,544</u>

The financial statements were approved by the Board on 15 July 2016 and signed on its behalf by



J Lea

**Director**

**Company Registration No. 4698093**

The notes on pages 11 to 16 form part of these financial statements.

**ACCELERATING GROWTH FUND LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2016**

	<b>PROFIT AND LOSS ACCOUNT</b>	<b>TOTAL</b>
	<b>£</b>	<b>£</b>
<b>Balance at 1 April 2014</b>	6,501,475	6,501,475
Result for the financial year	405,068	405,068
<b>Total comprehensive (expenditure)/income for the period</b>	<b>405,068</b>	<b>405,068</b>
<b>Balance carried forward at 31 March 2015</b>	<b>6,906,543</b>	<b>6,906,543</b>
Result for the financial year	279,262	279,262
Donation under Gift Aid to parent undertaking	(279,262)	(279,262)
Dividend paid	(483,776)	(483,776)
<b>Total comprehensive (expenditure)/income for the period</b>	<b>(483,776)</b>	<b>(483,776)</b>
<b>Balance carried forward at 31 March 2016</b>	<b>6,422,767</b>	<b>6,422,767</b>

There are no deficits or surpluses for the period other than those reflected above. All activities are continuing.

The notes on pages 11 to 16 form part of these financial statements.

**NOTES AND ACCOUNTING POLICIES  
FOR THE YEAR ENDED 31 MARCH 2016**

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**1. Basis of financial statements and accounting policies**

The company has adopted the following accounting policies which should be read in conjunction with the financial statements set out on pages 8 to 16 and which have been prepared under the historical cost convention and in accordance with FRS 102 the financial reporting standard applicable to the United Kingdom and the Republic of Ireland (August 2014). The functional and presentational currency is sterling

Under FRS 102.12 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a qualifying entity and its parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of The Waste and Resources Action Programme, the Company has taken advantage of the exemption contained in FRS 102 and has therefore not disclosed transactions or balances with entities which are wholly-owned within the group. The consolidated financial statements of The Waste and Resources Action Programme, within which this Company is included, can be obtained from the address given in note 12. The company has applied the following exemption available under FRS 102 in respect of certain disclosures for the company financial statements: the disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

These accounts have been prepared on the going concern basis, which assumes the Company will continue to trade without significant curtailment for the foreseeable future. Confirmation has been received from The Waste & Resources Action Programme, that it will provide such support as Accelerating Growth Fund Limited requires to enable it to meet its liabilities as and when they fall due for a period not less than one year from the date of approval of these financial statements.

**1.1 Statutory Information**

Accelerating Growth Fund Limited is a company limited by shares, registered in England Wales, registration number 4698093. The company's principal activity is the provision of funding for investments in the recycling and re-use sectors.

**1.2 Income**

Revenue grants receivable are credited to the Income and Expenditure Account in the period in which the funding is receivable.

## ACCELERATING GROWTH FUND LIMITED

### NOTES AND ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 MARCH 2016

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#### 1.3 Expenditure

All expenditure is charged in the period to which it relates on an accruals basis and a liability is recognised when there is a legal or constructive obligation.

#### 1.4 Interest Income

Loan interest income is credited to the Income and Expenditure Account in the period in which it is receivable.

#### 1.5 Investments

Investments are stated at cost less provision for impairment. Cost includes management fees and contributions to due diligence costs which are written off as incurred.

#### 1.6 Debtors

Debtors are loans receivable less any provisions for impairment.

#### 1.7 Cash

Cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

#### 1.8 Taxation

The charge for taxation is based on the surplus for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

#### 2. Interest receivable

	2016	2015
	£	£
Bank interest	176,630	179,778
Loan interest	85,662	195,136
Total Interest	<u>262,292</u>	<u>374,914</u>

## ACCELERATING GROWTH FUND LIMITED

### NOTES AND ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 MARCH 2016

#### 3. Taxation

It is the company policy that taxable profits are donated to WRAP under "Gift Aid". The directors consider this arrangement will remain in place for the foreseeable future. As a result of this payment, there is no liability to corporation tax.

##### a.) Analysis of charge in period

Current tax:

	2016	2015
	£	£
UK corporation tax at 20% (2015: 21%) on the surplus on ordinary activities		
- Current tax on income for the period	-	78,732
- Credit for prior period	<u>(78,732)</u>	<u>(24)</u>
Total current tax	<u>(78,732)</u>	<u>78,708</u>

##### b.) Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2015: lower) than the standard rate of corporation tax in the UK (20%; 2015: 21%). The differences are explained below.

	2016	2015
	£	£
Surplus on ordinary activities before tax	<u>200,530</u>	<u>483,776</u>
Current tax at 20% (2015: 21%)	40,106	101,593
<i>Effects of:</i>		
Deficit/(surplus) on activities outside the scope of corporation tax	12,352	(22,861)
Current tax charge for the period before donation	<u>52,458</u>	<u>78,732</u>
Donation under Gift Aid to parent undertaking	(52,458)	-
Prior year tax provision release	(78,732)	-
Total tax charge for the period	<u>(78,732)</u>	<u>78,732</u>

**ACCELERATING GROWTH FUND LIMITED**

**NOTES AND ACCOUNTING POLICIES (continued)  
FOR THE YEAR ENDED 31 MARCH 2016**

**4. Result for the financial year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
The surplus for the financial year is stated after charging:		
Auditor's remuneration - audit of these financial statements	2,850	3,000

No director received any remuneration during the year.

There were no employees in either the current or previous financial years.

**5. Debtors due after more than one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Third party loans	<u>245,293</u>	<u>1,810,343</u>

**6. Debtors due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Third party loans	479,000	199,000
Capital repayments receivable	-	5,887
Interest receivable	62	12,616
	<u>479,062</u>	<u>217,503</u>

**7. Short term investments**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Short term investment	<u>24,945,487</u>	<u>27,914,986</u>

Short term investments represent bank deposits placed under which access to cash is restricted for up to 100 days from the date of the deposit.



# ACCELERATING GROWTH FUND LIMITED

## NOTES AND ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 MARCH 2016

### 8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Amounts due to parent undertaking	571,504	104,930
Corporation tax	-	78,732
Accruals and deferred income	2,850	3,840
	<u>574,354</u>	<u>187,502</u>

### 9. Provision for liabilities and charges

	£
Balance at 1 April 2015	23,989,197
Utilisation	(1,878,398)
Balance at 31 March 2016	<u>22,110,799</u>

This represents the obligation to repay residual funding for certain loan schemes back to the grantor should the programme be terminated. This is not expected to occur in the coming year. Any provision charge or credit to the Income and Expenditure Account is included in administrative expenses.

The utilisation is due to impairment of loans and the payment of administration expenses in relation to the RCREF loan fund, as per the funding agreement.

### 10. Share capital

	2016 £	2015 £
<b>Authorised</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
1 ordinary share of £1	<u>1</u>	<u>1</u>

**ACCELERATING GROWTH FUND LIMITED**

**NOTES AND ACCOUNTING POLICIES (continued)  
FOR THE YEAR ENDED 31 MARCH 2016**

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**11. Residual interest**

	£
At 1 April 2015	6,906,543
Net incoming/(outgoing) resources for the year	(483,776)
At 31 March 2016	<u>6,422,767</u>

Residual interest is the amount found by deducting all of the entity's liabilities from all of the entity's assets.

**12. Ultimate parent company**

The ultimate parent company is The Waste and Resources Action Programme, a company limited by guarantee and a registered charity (no 1159512).

The company is a subsidiary of The Waste and Resources Action Programme, a company incorporated in England and Wales. The largest and smallest group in which the results of the company are consolidated is that headed by The Waste and Resources Action Programme. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Crown Way, Cardiff, South Glamorgan, CF14 3UF.