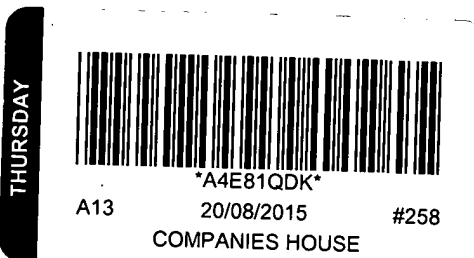


**Company Registration No. 4698093
(England and Wales)**

ACCELERATING GROWTH FUND LIMITED

**REPORT AND FINANCIAL STATEMENTS
31 MARCH 2015**



ACCELERATING GROWTH FUND LIMITED

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ACCELERATING GROWTH FUND LIMITED

COMPANY INFORMATION

Directors
P Stone (resigned 19/11/14)
S Creed
L Goodwin
M Gover
J Lea

Secretary
J Lea

Registered office
2nd 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

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

ACCELERATING GROWTH FUND LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their annual report and financial statements for the year ended 31 March 2015.

Strategic Report

The company manages funds for investment in the recycling and re-use sectors. It provides financial support principally in the form of loan finance to enable businesses in the recycling, reprocessing and re-use sectors to develop.

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

- The Mixed Plastics Loan Fund (MPLF) was established with £3.8m fund designed to support the development of new capacity to process mixed plastics packaging waste and so divert it from landfill.
- The Anaerobic Digestion Loan Fund (ADLF), is a £6.5m fund to support generating renewable energy in the form of biogas through the diversion of food waste and other organic resources from landfill.
- 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 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 Waste Prevention Loan fund was established with funding of £1.5m to enable organisations to introduce business models and processes that make more efficient use of material resources.

Operating surplus before tax for the year was £484k compared to £434k in the previous year.

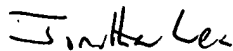
The Mixed Plastic Loan Fund was set up with funding from Defra to provide financial support to plastic recycling businesses at start up and in the early stages before they are able to obtain finance from the credit markets. It was established to take on the high commercial risks of providing finance to businesses which are in the very early stages of development. In addition, the fall in the price of oil during 2014-15 and consequently in the price of virgin plastics has put significant pressure on market prices for recycled plastics. During the year, two of the companies to whom the Mixed Plastics Loan Fund had provided finance went into administration. As has been widely reported, ECO Plastics, a major supplier of recycled PET bottles, passed through a pre-pack administration process and the business and assets were sold as a functioning facility, maintaining supply of this important product. While the administration process has not yet been completed AGF has fully impaired its outstanding loans to ECO Plastics.

At 31 March 2015 net current assets were £30,896k (2014: £34,255k) including short term investments of £27,915k. 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 £6,907k compared to £6,501k last year.

ACCELERATING GROWTH FUND LIMITED

**STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2015**

On behalf of the Board



J Lea
Director

30 June 2015

ACCELERATING GROWTH FUND LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

Directors

The following directors have held office during the period:

P Stone – resigned 19/11/14

S Creed

L Goodwin

M Gover

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 2015

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

The directors are responsible for preparing the Strategic Report, 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

30 June 2015

ACCELERATING GROWTH FUND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCELERATING GROWTH FUND LIMITED FOR THE YEAR ENDED 31 MARCH 2015

We have audited the financial statements of Accelerating Growth Fund Limited for the year ended 31 March 2015 set out on pages 8 to 15. 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.

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 2015 and of its surplus 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

ACCELERATING GROWTH FUND LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCELERATING GROWTH FUND LIMITED (continued) FOR THE YEAR ENDED 31 MARCH 2015

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.

B. J. Stapleton 30 July 2015

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**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
Incoming resources			
Fee income		177,020	39,660
Costs recovered from loan recipients		20,777	-
Total incoming resources		<u>197,797</u>	<u>39,660</u>
Resources expended			
Direct (expenditure)/income		<u>(84,169)</u>	<u>666</u>
Administration expenses		<u>(4,766)</u>	<u>(8,266)</u>
Operating surplus		<u>108,862</u>	<u>32,060</u>
Interest receivable	2	<u>374,914</u>	<u>401,878</u>
Operating surplus on ordinary activities before taxation		<u>483,776</u>	<u>433,938</u>
Taxation on surplus on ordinary activities	3	<u>(78,708)</u>	<u>(92,428)</u>
Surplus for the financial year	4	<u>405,068</u>	<u>341,510</u>
Other comprehensive income		-	-
Total comprehensive income for the period		<u>405,068</u>	<u>341,510</u>
Balance brought forward		<u>6,501,475</u>	<u>6,159,965</u>
Balance carried forward at 31 March		<u>6,906,543</u>	<u>6,501,475</u>

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

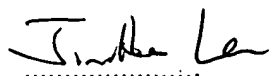
The notes on pages 11 to 15 form part of these financial statements.

ACCELERATING GROWTH FUND LIMITED

BALANCE SHEET AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Investments	5		-		-
Current assets					
Debtors due after more than one year	6	1,810,343		3,070,321	
Debtors due within one year	7	217,503		931,058	
Short term investments	8	27,914,986		27,111,256	
Cash at bank and in hand		<u>1,140,411</u>		<u>3,746,784</u>	
		31,083,243		34,859,419	
Creditors: Amounts falling due within one year	9	<u>(187,502)</u>		<u>(604,521)</u>	
Net current assets			30,895,741		34,254,898
Total assets less current liabilities			30,895,741		34,254,898
Provision for liabilities and charges	10		(23,989,197)		(27,753,422)
Net assets			<u>6,906,544</u>		<u>6,501,476</u>
Capital and residual interest					
Called up share capital	11		1		1
Residual interest	12		6,906,543		6,501,475
			<u>6,906,544</u>		<u>6,501,476</u>

The financial statements were approved by the Board on 30 June 2015 and signed on its behalf by



J Lea
Director

Company Registration No. 4698093

The notes on pages 11 to 15 form part of these financial statements.

ACCELERATING GROWTH FUND LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015**

	PROFIT AND LOSS ACCOUNT	TOTAL
	£	£
Comprehensive income for the period		
Surplus for the period	405,068	405,068
Other comprehensive income	-	-
Total comprehensive income for the period	<u>405,068</u>	<u>405,068</u>
Balance brought forward	<u>6,501,475</u>	<u>6,501,475</u>
Balance carried forward at 31 March	<u>6,906,543</u>	<u>6,906,543</u>

The notes on pages 11 to 15 form part of these financial statements.

ACCELERATING GROWTH FUND LIMITED

NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2015

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 15 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. FRS102 has been adopted for the year ending 31st March 2015, which represents early adoption of this standard. The functional and presentational currency is sterling.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a 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 14. 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 4952392. 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.

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.

ACCELERATING GROWTH FUND LIMITED

NOTES AND ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 MARCH 2015

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

	2015 £	2014 £
Bank interest	179,778	180,485
Loan interest	195,136	221,393
Total Interest	<u>374,914</u>	<u>401,878</u>

3. Taxation

a.) Analysis of charge in period

Current tax:

	2015 £	2014 £
UK corporation tax at 21% (2014:23%) on the surplus on ordinary activities		
- Current tax on income for the period	78,732	92,428
- Credit for prior period	(24)	-
Total current tax	<u>78,708</u>	<u>92,428</u>

ACCELERATING GROWTH FUND LIMITED

NOTES AND ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 MARCH 2015

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

The current tax charge for the period is lower (2014: lower) than the standard rate of corporation tax in the UK (21%; 2014: 23%). The differences are explained below.

	2015	2014
	£	£
Surplus on ordinary activities before tax	483,776	433,938
Current tax at 21% (2014: 23%)	101,593	99,806
<i>Effects of:</i>		
Surplus on activities outside the scope of corporation tax	(22,861)	(7,378)
Current tax charge for the period	<u>78,732</u>	<u>92,428</u>

4. Surplus for the financial year

	2015	2014
	£	£
The surplus for the financial year is stated after charging:		
Auditor's remuneration - audit of these financial statements	3,000	3,000

No director received any remuneration during the year.

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

5. Investments

	Other investments
	£
Cost	
At 1 April 2014	275,000
Write off	(275,000)
At 31 March 2015	<u>-</u>
Provisions	
At 1 April 2014	(275,000)
Utilisation	275,000
At 31 March 2015	<u>-</u>
Net book value	
At 31 March 2015	-
At 1 April 2014	<u>-</u>

The investment relates to a holding of 75 shares representing 20% of the ordinary shares of Re PET Limited, which went into administration in 2013. The investment has now been written off.

ACCELERATING GROWTH FUND LIMITED**NOTES AND ACCOUNTING POLICIES (continued)
FOR THE YEAR ENDED 31 MARCH 2015****6. Debtors due after more than one year**

	2015	2014
	£	£
Third party loans	<u>1,810,343</u>	<u>3,070,321</u>

7. Debtors due within one year

	2015	2014
	£	£
Third party loans	199,000	920,700
Capital repayments receivable	5,887	-
Interest receivable	12,616	10,358
	<u>217,503</u>	<u>931,058</u>

8. Short term investments

	2015	2014
	£	£
Cash deposits	<u>27,914,986</u>	<u>27,111,256</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

9. Creditors: Amounts falling due within one year

	2015	2014
	£	£
Amounts due to parent undertaking	104,930	509,089
Corporation tax	78,732	92,432
Accruals and deferred income	3,840	3,000
	<u>187,502</u>	<u>604,521</u>

10. Provision for liabilities and charges

	£
Balance at 1 April 2014	27,753,422
Utilisation	<u>(3,764,225)</u>
Balance at 31 March 2015	<u>23,989,197</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.

ACCELERATING GROWTH FUND LIMITED

NOTES AND ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 MARCH 2015

11. Share capital

	2015 £	2014 £
Authorised 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid 1 ordinary share of £1	<u>1</u>	<u>1</u>

12. Residual interest

	Designated funds £
At 1 April 2014	6,501,475
Net incoming resources for the year	<u>405,068</u>
At 31 March 2015	<u>6,906,543</u>

Residual interest is the amount found by deducting all of the entity's liabilities from all of the entity's assets. The designated funds relate to grant income earmarked against specific expenditure programmes in subsequent periods.

13. Impact of transition to FRS102

The transition from the previous UK GAAP to FRS 102 had no material impact on the treatment of any balances within these accounts.

14. 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.