

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

**ACCELERATING GROWTH FUND LIMITED**  
(formerly known as The Recycling Fund Limited)

**REPORT AND FINANCIAL STATEMENTS**

**31 MARCH 2010**



---

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**CONTENTS**

---

	<b>Page</b>
Company information	1
Directors' report	2 - 3
Independent auditors' report to the members	4 - 5
Income and expenditure account	6
Balance sheet	7
Notes and accounting policies	8 - 11

---

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**COMPANY INFORMATION**

---

**Directors** P Stone (Appointed 14 September 2009)  
S Creed  
H Etheridge  
L Goodwin  
M Gover (Appointed 14 September 2009)

**Secretary** H Etheridge

**Registered office** The Old Academy  
21 Horse Fair  
Banbury  
Oxfordshire  
OX16 OAH

**Company number** 4698093

**Auditors** 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

---

## **ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2010**

---

The directors present their report and financial statements for the year ended 31 March 2010.

#### **Principal activities**

The company manages funds for investment to support the recycling sector.

#### **Change of name**

On 3 November 2009 the Company changed its name to Accelerating Growth Fund Limited more accurately to reflect its activities.

#### **Directors**

The following directors have held office during the period:

P Stone (Appointed 14 September 2009)  
S Creed  
H Etheridge  
L Goodwin  
M Gover (Appointed 14 September 2009)

#### **Results**

The results of the company's activities are summarised on page 6. The surplus for the financial year amounted to £1,513,065 (2009: £295,536).

#### **Review of activities**

The Company operates the Accelerating Growth Fund, whose aims are to make interventions in businesses in the recycling and reprocessing sector to enable such businesses to further develop. Such interventions are made on the basis that, if successful, they will generate a return to the Company. The Company made a short-term loan to a plastics reprocessing company who were in financial difficulties following a fire.

The company has developed a pipeline of potential investments for 2010/11.

At the end of the year, the Company's parent company, The Waste and Resources Action Programme, made a grant to the Company of £1.6m specifically to use by way of loans below market rates to support infrastructure investment in mixed plastics in England.

#### **Disclosure of information to auditors**

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.

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**DIRECTORS' REPORT (continued)  
FOR THE YEAR ENDED 31 MARCH 2010**

---

**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.

**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).

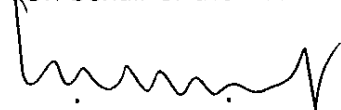
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice); 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.

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

On behalf of the Board



H Etheridge  
**Secretary**

---

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited) FOR THE YEAR ENDED 31 MARCH 2010**

---

**KPMG LLP**

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

**Independent auditors' report to the members of Accelerating Growth Fund Limited (formerly known as The Recycling Fund Limited)**

We have audited the financial statements of Accelerating Growth Fund Limited (formerly known as The Recycling Fund Limited) for the year ended 31 March 2010 set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 auditors' 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 auditors**

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. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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

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

**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 2010 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.

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)  
FOR THE YEAR ENDED 31 MARCH 2010**

---

**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.

*P D Selvey.*

**P D Selvey (Senior Statutory Auditor)**

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

*Chartered Accountants*

*30 June, 2010*

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

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 £	2009 £
<b>Incoming resources</b>		1,618,750	-
<b>Total incoming resources</b>		<u>1,618,750</u>	<u>-</u>
<b>Resources expended</b>		-	-
Provision for bad debt		-	-
Direct expenditure		-	-
Administration expenses		(20,891)	(2,890)
<b>Operating surplus/(deficit)</b>		<u>1,597,859</u>	<u>(2,890)</u>
Interest receivable	2	<u>76,273</u>	<u>209,061</u>
<b>Operating surplus on ordinary activities before taxation</b>		1,674,132	206,171
Taxation on surplus on ordinary activities	3	(161,067)	89,365
<b>Surplus for the financial year</b>	4	<u>1,513,065</u>	<u>295,536</u>
Balance brought forward		<u>4,062,262</u>	<u>3,766,726</u>
<b>Balance carried forward at 31 March</b>		<u>5,575,327</u>	<u>4,062,262</u>

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

The notes on pages 8 to 11 form part of these financial statements.

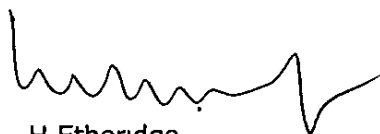


**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**BALANCE SHEET  
AS AT 31 MARCH 2010**

	Note	£	2010 £	£	2009 £
<b>Fixed assets</b>					
Investments	5		-		-
<b>Current assets</b>					
Debtors	6	1,883,610		153,011	
Cash at bank and in hand		3,772,340		3,978,052	
		<u>5,655,950</u>		<u>4,131,063</u>	
<b>Creditors.</b> Amounts falling due within one year	7	<u>(80,622)</u>		<u>(68,800)</u>	
<b>Total assets less current liabilities</b>			<u>5,575,328</u>		<u>4,062,263</u>
<b>Net assets</b>			<u>5,575,328</u>		<u>4,062,263</u>
<b>Capital and reserves</b>					
Called up share capital	8		1		1
Reserves	9		<u>5,575,327</u>		<u>4,062,262</u>
			<u>5,575,328</u>		<u>4,062,263</u>

The financial statements were approved by the Board on 30 June, 2010



H Etheridge  
Director

**Company Registration No. 4698093**

The notes on pages 8 to 11 form part of these financial statements.

---

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**NOTES AND ACCOUNTING POLICIES  
FOR THE YEAR ENDED 31 MARCH 2010**

---

**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 6 to 11 and which have been prepared under the historical cost convention and in accordance with applicable accounting standards.

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 8 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 10.

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 (formerly known as The Recycling 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 Income**

Revenue grants receivable are credited to the Income and Expenditure Account in the period in which the funding is receivable. Income received in advance is carried forward as deferred income. Capital grants receivable are treated as deferred credits and credited to the Income and Expenditure Account over the estimated useful life of the assets.

**1.2 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.

**1.3 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.

**1.4 Taxation**

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

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**NOTES AND ACCOUNTING POLICIES (continued)  
FOR THE YEAR ENDED 31 MARCH 2010**

**2. Interest receivable**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	<u>76,273</u>	<u>209,061</u>

**3. Taxation**

a.) Analysis of charge in period

Current tax:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
UK corporation tax at 28% (2009:21%) on the surplus on ordinary activities		
- Current tax on income for the period	16,069	15,750
- Adjustments in respect of prior periods	144,998	(105,115)
Total current tax	<u>161,067</u>	<u>(89,365)</u>

In 2009 an enquiry was raised by HMRC into the interest only basis upon which the Company was charged to corporation tax. Using the information available at the time, this led to a change in the basis upon which the Company's profits were taxed in the 2009 accounts. However, further investigation resulted in the final conclusion that the Company should be charged to corporation tax under the interest only basis. As a direct result, an adjustment in respect of prior periods to the value of £144,998 (2009: £105,115) has been charged (2009: credited) in the tax computations.

b ) Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2009. lower) than the standard rate of corporation tax in the UK (28%; 2009: small company rate of 21%). The differences are explained below.

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Surplus on ordinary activities before tax	<u>1,674,132</u>	<u>206,171</u>
Current tax at 28% (2009: small company rate of 21%)	468,757	43,296
<i>Effects of:</i>		
Adjustment to tax charge in respect of prior periods	144,998	(105,115)
Excess paid for group relief	-	(27,546)
Surplus on activities outside the scope of corporation tax	(447,460)	-
Small companies relief	(5,228)	-
Current tax charge for the period	<u>161,067</u>	<u>(89,365)</u>

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**NOTES AND ACCOUNTING POLICIES (continued)  
FOR THE YEAR ENDED 31 MARCH 2010**

**4. Surplus for the financial year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
The surplus for the financial year is stated after charging:		
Auditors' Remuneration - audit of these financial statements	2,938	2,875

No director received any remuneration during the year.

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

**5. Investments**

	<b>Other investments</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2009	1,647,610
Amount written-off	<u>(1,647,610)</u>
At 31 March 2010	<u>-</u>
<b>Provisions</b>	
At 1 April 2009	1,647,610
Amount utilised	<u>(1,647,610)</u>
At 31 March 2010	<u>-</u>
<b>Net book value</b>	
At 31 March 2009 and 31 March 2010	<u><u>-</u></u>

The two investments of the Recycling Fund LP went into administration in previous financial years and the administrators subsequently disposed of the assets of the business. The Recycling Fund LP did not realise any consideration from these investments and therefore the carrying values are £nil.

**6. Debtors**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Corporation tax	-	89,365
Return of funding from Recycling Fund LP	7,531	-
Other third party loan	246,250	-
Amounts due from parent undertaking	1,615,000	-
Interest receivable	14,829	63,646
	<u><b>1,883,610</b></u>	<u>153,011</u>

**ACCELERATING GROWTH FUND LIMITED (formerly known as The Recycling Fund Limited)**

**NOTES AND ACCOUNTING POLICIES (continued)  
FOR THE YEAR ENDED 31 MARCH 2010**

**7. Creditors : Amounts falling due within one year**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Amounts due to parent undertaking	61,402	61,754
Corporation tax	16,069	-
Accruals and deferred income	3,151	7,046
	<u><b>80,622</b></u>	<u><b>68,800</b></u>

**8. Share capital**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<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>

**9. Residual Interest**

	<b>Total Funds £</b>
At 1 April 2009	4,062,262
Net incoming resources for the year	<u>1,513,065</u>
<b>At 31 March 2010</b>	<u><b>5,575,327</b></u>

**10. Ultimate parent company**

The ultimate parent company is The Waste and Resources Action Programme, a company limited by guarantee.

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.