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**Company Registration No. 04698093
(England and Wales)**

ACCELERATING GROWTH FUND LIMITED

**REPORT AND FINANCIAL STATEMENTS
31 MARCH 2020**



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COMPANY INFORMATION**Directors**

Julie Hill
Marcus Gover
Peter Maddox
Philippa Foster – resigned 16 March 2020
Sarah Chapman – appointed 7 October 2019

Secretary

Philippa Foster – resigned 16 March 2020

Registered office

2nd Floor
Blenheim Court
19 George Street
Banbury
OX16 5BH

Company number

04698093

Auditor

Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

Bankers

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

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

Investment Managers

Brewin Dolphin Ltd
12 Smithfield Street
London
EC1A 9LA

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

The directors present their annual report and financial statements for the year ended 31 March 2020.

Principal activities and review

The company provides financial support and investment to organisations, principally SMEs, who are investing in or changing to 'circular economy' business models. The scope includes re-use, recycling, reprocessing and renewable energy. The principal fund is:

- The Circular Economy Investment Fund which is a £10m fund.

Investment income at £173k was £47k less than 2018/19. Income from the Brewin Dolphin investment increased by £14k to £106k but bank interest reduced by £61k to £67k reflecting the lower average cash balance for the year.

Operating surplus before tax for 2019/20 was £103k compared to £173k in the previous year. Net losses on investments for the year were £296k and reflects the impact of COVID-19 on the stock market (2019: gains £25k). Provision has been made, in accordance with the deed of covenant, to gift the surplus on ordinary activities before tax to the parent company.

In terms of on-going activity, provisions are made for impairments to loans receivable. Additionally, where residual funds in the Circular Economy Investment Fund may be repayable to the provider of funding when the objectives of the programmes have been achieved, then a corresponding provision is made.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the directors' annual report including 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 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 of the company and 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 judgements 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 assume that the company will continue in operation.

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 auditor is 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 auditor is aware of that information.

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 the financial statements may differ from legislation in other jurisdictions.

Pursuant to Section 487 of the Companies Act 2006, Sayer Vincent LLP has been re-appointed as the auditor and has expressed its willingness to continue in that capacity.

The Directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

Approved by the Directors on 17 June 2020 and signed on their behalf by



Julie Hill
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCELERATING GROWTH FUND LIMITED**Opinion**

We have audited the financial statements of Accelerating Growth Fund (the 'company') for the year ended 31 March 2020 which comprise the statement of income and retained earnings, balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its result for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the directors' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The directors' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' annual report.

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

- Adequate accounting records have not been kept, 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' annual report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the statement of directors' responsibilities, set out in the directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

Fleur Holden (Senior statutory auditor)

2 July 2020

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020	2019
		£	£
Income			
Fee income		-	12,828
Loan recovery		-	-
Total income		<u>-</u>	<u>12,828</u>
Expenditure			
Direct expenditure		(39,489)	(36,658)
Gross deficit		(39,489)	(23,830)
Administration expenses		(30,167)	(23,275)
Operating deficit		<u>(69,656)</u>	<u>(47,105)</u>
Interest receivable	2	172,963	220,351
Operating surplus on ordinary activities		103,307	173,246
Net (loss)/gains on investments		(295,508)	25,250
Operating (loss)/surplus/ before taxation		(192,201)	198,496
Taxation on surplus on ordinary activities	3	-	-
Total comprehensive (expenditure)/income		<u>(192,201)</u>	<u>198,496</u>
Retained Earnings			
Retained earnings brought forward at the beginning of the year		6,400,265	6,387,139
Total comprehensive (expenditure)/income for the year		(192,201)	198,496
Gift aid distribution to parent charity		(128,646)	(185,370)
Retained earnings carried forward at the end of the year		<u>6,079,418</u>	<u>6,400,265</u>

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

The notes on pages 9 to 13 form part of these financial statements.

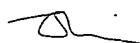
**BALANCE SHEET
AS AT 31 MARCH 2020**

	Note	2020 £	2019 £
Fixed assets			
Investments	5	5,039,923	4,730,498
Current assets			
Short term investments	6	10,525,100	11,970,139
Cash at bank and in hand		641,745	1,170,474
		<u>11,166,845</u>	<u>13,140,613</u>
Creditors: Amounts falling due within one year	7	<u>(168,313)</u>	<u>(1,602,675)</u>
Net current assets		10,998,532	11,537,938
Total assets less current liabilities		16,038,455	16,268,436
Provision for liabilities and charges	8	<u>(9,959,036)</u>	<u>(9,868,170)</u>
Net assets		<u>6,079,419</u>	<u>6,400,266</u>
Capital and residual interest			
Called up share capital	9	1	1
Retained earnings		<u>6,079,418</u>	<u>6,400,265</u>
		<u>6,079,419</u>	<u>6,400,266</u>

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

The notes on pages 9 to 13 form part of these financial statements.

The financial statements were approved by the Board on 17 June 2020 and signed on its behalf by



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Julie Hill
Director
Company Registration No. 04698093

**NOTES AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 MARCH 2019****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 7 to 13 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 (S and with the Companies Act 2006. The functional and presentational currency is sterling.

Under FRS 102 1.12 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 10. 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. The Directors consider that there are no material uncertainties about the company's ability to continue as a going concern.

1.1. Statutory information

Accelerating Growth Fund Limited is a company limited by shares, incorporated in England and Wales, registration number 04698093. The registered office address is 2nd Floor, Blenheim Court, 19 George Street, Banbury, OX15 5BH. The company's principal activity is the provision of funding for investments in the recycling and re-use sectors.

1.2. Income

Fee Income receivable are credited to the Statement of Income and Retained Earnings in the period in which the funding is receivable.

1.3. Expenditure

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

1.4. Interest income

Bank interest and investment income is credited to the Statement of Income and Retained Earnings in the period in which it is receivable.

1.5. Investments

Listed investments are stated at fair value on the balance sheet date. 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 provision for impairment.

1.7. Cash

Cash comprises cash in hand and deposits repayable on demand.

1.8. Short-term investments

Short term investments include bank deposits under which access to cash is restricted for up to 100 days from the date of the deposit and other deposits held by Fund Managers. Cash held in 32-day notice accounts are treated as short-term investments as they are held for investment purposes.

1.9. Creditors

Short term creditors are measured at the transaction price.

1.10. 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

	2020	2019
	£	£
Bank interest	66,939	128,287
Investment income	106,024	92,064
Total Interest	<u>172,963</u>	<u>220,351</u>

3. Taxation

It is the company's policy that taxable profits made by AGF are distributed 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. Deeds of covenant have been prepared to allow the subsidiary trading companies to make qualifying donations of all taxable profit to the charity.

a) Analysis of charge in period

Current tax:

	2020	2019
	£	£
UK corporation tax at 19% (2019: 19%) on the surplus on ordinary activities		
- Current tax on income for the period	-	-
- -Credit for prior period	-	-
Total current tax	<u>-</u>	<u>-</u>

b) Factors affecting the tax charge for the current period

The current tax charge for the period is lower (2019: lower) than the standard rate of corporation tax in the UK (19%; 2019: 19%). The differences are explained below:

	2020	2019
	£	£
Surplus on ordinary activities before tax	103,307	173,246
Current tax at 19% (2019: 19%)	19,629	32,917
<i>Effects of:</i>		
Deficit on activities outside the scope of corporation tax	4,426	2,309
Current tax charge for the period before donation	24,055	35,226
Distribution under Gift Aid to parent undertakings	(24,055)	(35,226)
Total tax charge for the period	<u>-</u>	<u>-</u>

3. Result for the financial year

	2020	2019
	£	£
The surplus for the financial year is stated after charging:		
Auditor's remuneration – audit of these financial statements	<u>2,520</u>	<u>2,520</u>

No director received any remuneration during the year.

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

4. Investments

	2020	2020	2020
	Listed	Unlisted	Total
	£	£	£
Fair value at the start of the year	3,637,851	774,404	4,412,255
Additions at cost	1,031,290	621,216	1,652,506
Disposal proceeds	(881,695)	-	(881,695)
Net (loss) on change in fair value	(285,513)	-	(285,513)
	<u>3,501,933</u>	<u>1,395,620</u>	<u>4,897,553</u>
Cash held by investment broker pending reinvestment	142,370	-	142,370
Fair value at the end of the year	<u>3,644,303</u>	<u>1,395,620</u>	<u>5,039,923</u>

5. Investments continued

	2019	2019	2019
	Listed	Unlisted	Total
	£	£	£
Fair value at the start of the year	2,766,382	445,572	3,211,954
Additions at cost	932,510	328,832	1,261,342
Impairment	(83,907)	-	(83,907)
Net (loss) on change in fair value	22,867	-	22,867
	<u>3,637,852</u>	<u>774,404</u>	<u>4,412,256</u>
Cash held by investment broker pending reinvestment	318,242	-	318,242
Fair value at the end of the year	<u>3,956,094</u>	<u>774,404</u>	<u>4,730,498</u>

Investments comprise:

	2020	2019
	£	£
Listed investments (UK)	1,812,279	2,251,212
Listed investments (outside the UK)	1,600,754	1,386,640
Unlisted shares in UK registered companies	1,395,620	774,404
Cash and cash equivalents	142,370	318,242
Other investments	88,900	-
	<u>5,039,923</u>	<u>4,730,498</u>

6. Short term investments

	2020	2019
	£	£
Short term investments	<u>10,525,100</u>	<u>11,970,139</u>

Bank deposits are held at a number of High Street banks, under which access to cash is restricted for up to 100 days. Financial assets are funds invested in Royal London Asset Management.

7. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Operational creditors	-	1,514,692
Amounts due to parent undertaking	165,793	83,963
Accruals and deferred income	2,520	4,020
	<u>168,313</u>	<u>1,602,675</u>

8. Provision for liabilities and charges

	£
Balance at 1 April 2019	9,868,170
Additions	97,183
Utilisation	<u>(6,317)</u>
Balance at 31 March 2020	<u>9,959,036</u>

This represents the obligation to repay residual funding for the Circular Economy Investment Fund 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 Statement of income and retained earnings is included in administrative expenses.

9. Share capital

	2020	2019
	£	£
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>

10. Ultimate parent company

The ultimate parent company is The Waste and Resources Action Programme, a company limited by guarantee (no. 4125764) 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 and from the Charity Commission. The company distributes available profits to its parent undertaking.