

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

**ACCELERATING GROWTH FUND LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
31 MARCH 2017**



## CONTENTS

	<b>Page</b>
Company information	1
Directors' report	2
Independent auditor's report to the members of Accelerating Growth Fund Limited	4
Profit and loss account and other comprehensive income statement	6
Balance sheet	7
Statement of changes in equity	8
Notes and accounting policies	9

## COMPANY INFORMATION

### Directors

S Creed  
M Gover  
J Hill  
P Maddox

### Secretary

G Prior

### 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

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2017**

The directors present their annual report and financial statements for the year ended 31 March 2017.

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

- 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 which is a £10m fund.

Operating surplus before tax and donation and before investment gains for 2016/17 was £213k compared to £201k in the previous year. Provision has been made to gift the surplus before net gains on investment for the year to the parent company.

At 31 March 2017 net current assets were £26,564k (2016: £28,534k) including short term investments of £24,087k. 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 £6,437k compared to £6,423k last year.

### **Directors**

The following directors have held office during the period:

S Creed

L Goodwin (resigned 30 June 2016)

M Gover

A Hinton (resigned 23 November 2016)

J Lea (resigned 20 January 2017)

J Hill (appointed 25 January 2017)

P Maddox (appointed 25 January 2017)

### **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 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 auditors is 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.

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

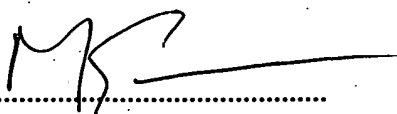
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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 UK and 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 judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

### **On behalf of the Board**



.....

M Gover  
**Director**

21 June 2017

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCELERATING GROWTH FUND LIMITED FOR THE YEAR ENDED 31 MARCH 2017**

We have audited the financial statements of Accelerating Growth Fund Limited for the year ended 31 March 2017 set out on pages 6 to 13. 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 UK and 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 2, 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 2017 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 matters prescribed by the Companies Act 2006**

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

**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 23 June 2017*

**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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2017**

	<b>Note</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
<b>Income</b>			
Fee income		84,816	5,180
Costs recovered from loan recipients		900	3,811
Loan recovery		47,745	-
<b>Total income</b>		<u>133,461</u>	<u>8,991</u>
<b>Resources Expended</b>			
Direct (expenditure)		(49,373)	(65,979)
Administration expenses		(4,560)	(4,774)
<b>Operating surplus/(deficit)</b>		<u>79,528</u>	<u>(61,762)</u>
Interest receivable	<b>2</b>	133,134	262,292
<b>Operating surplus before taxation</b>		212,662	200,530
Net gains on investments		13,996	-
Taxation on surplus on ordinary activities	<b>3</b>	-	78,732
<b>Surplus for the financial year</b>	<b>4</b>	<u>226,658</u>	<u>279,262</u>
"Gifting of annual surplus to WRAP"		(212,662)	(279,262)
Dividend paid		-	(483,776)
<b>Total comprehensive income/(expenditure) for the period</b>		<u>13,996</u>	<u>(483,776)</u>
Balance brought forward		6,422,767	6,906,543
<b>Balance carried forward at 31 March</b>		<u>6,436,763</u>	<u>6,422,767</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.

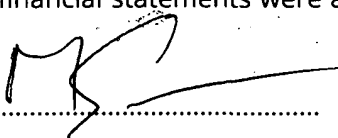


**BALANCE SHEET  
AS AT 31 MARCH 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Investments	5	353,283	-
<b>Current assets</b>			
Debtors due after more than one year	6	80,716	245,293
Debtors due within one year	7	-	479,062
Short term investments	8	24,086,915	24,945,487
Cash at bank and in hand		2,645,434	3,438,079
		<u>26,813,065</u>	<u>29,107,921</u>
<b>Creditors: Amounts falling due within one year</b>	<b>9</b>	<u>(248,994)</u>	<u>(574,354)</u>
<b>Net current assets</b>		26,564,071	28,533,567
<b>Total assets less current liabilities</b>		26,917,354	28,533,567
Provision for liabilities and charges	10	<u>(20,480,590)</u>	<u>(22,110,799)</u>
<b>Net assets</b>		<u>6,436,764</u>	<u>6,422,768</u>
<b>Capital and residual interest</b>			
Called up share capital	11	1	1
Residual interest	12	<u>6,436,763</u>	<u>6,422,767</u>
		<u>6,436,764</u>	<u>6,422,768</u>

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

The financial statements were approved by the Board on 21 June 2017 and signed on its behalf by

by 

M Gover  
Director  
Company Registration No. 4698093

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2017**

	<b>PROFIT AND LOSS ACCOUNT</b>	<b>TOTAL</b>
	<b>£</b>	<b>£</b>
<b>Balance at 1 April 2016</b>	6,422,767	6,422,767
Result for the financial year	226,658	226,658
Donation under Gift Aid to parent undertaking	(212,662)	(212,662)
<b>Total comprehensive (expenditure)/income for the period</b>	<b>13,996</b>	<b>13,996</b>
<b>Balance carried forward at 31 March 2017</b>	<b>6,436,763</b>	<b>6,436,763</b>

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.

## **NOTES AND ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2017**

### **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 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 (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 13. 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 and 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.

#### **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**

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 provision 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

	2017	2016
	£	£
Bank interest	122,354	176,630
Loan interest	10,780	85,662
Total Interest	<u>133,134</u>	<u>262,292</u>

## 3. Taxation

It is the company policy that taxable profits made by AGF 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:

	2017	2016
	£	£
UK corporation tax at 20% (2016: 20%) on the surplus on ordinary activities		
- Current tax on income for the period	-	-
- Credit for prior period	-	(78,732)
Total current tax	<u>-</u>	<u>(78,732)</u>

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

The current tax charge for the period is lower (2016: lower) than the standard rate of corporation tax in the UK (20%; 2016: 20%). The differences are explained below:

	2017	2016
	£	£
Surplus on ordinary activities before tax	212,662	200,530
Current tax at 20% (2016: 20%)	42,532	40,106
<i>Effects of:</i>		
Deficit/(surplus) on activities outside the scope of corporation tax	(15,906)	12,352
Current tax charge for the period before donation	26,626	52,458
Donation under Gift Aid to parent undertakings	(26,626)	(52,458)
Prior year tax provision release	-	(78,732)
Total tax charge for the period	-	(78,732)

**4. Result for the financial year**

	2017	2016
	£	£
The surplus for the financial year is stated after charging:		
Auditor's remuneration - audit of these financial statements	2,850	2,850

No director received any remuneration during the year.

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

**5. Investments**

	2017	2016
	£	£
Fair value at the start of the year	-	-
Additions at cost	353,283	-
Disposal proceeds	-	-
Net gain/(loss) on change in fair value	-	-
	<b>353,283</b>	-
Historic cost at the end of the year	<b>353,283</b>	-
Investments comprise:		
	2017	2016
	£	£
Shares in unlisted UK registered companies	353,283	-
	<b>353,283</b>	-

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

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Third party loans	<u>80,716</u>	<u>245,293</u>

**7. Debtors due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Third party loans	-	479,000
Interest receivable	-	62
	<u>-</u>	<u>479,062</u>

**8. Short term investments**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank deposits	21,072,919	24,945,487
Financial assets designated as fair value through P&L account	3,013,996	-
	<u>24,086,915</u>	<u>24,945,487</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 pooled funds invested by Royal London Asset Management.

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

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Amounts due to parent undertaking	244,144	571,504
Accruals and deferred income	4,850	2,850
	<u>248,994</u>	<u>574,354</u>

**10. Provision for liabilities and charges**

	<b>£</b>
Balance at 1 April 2016	22,110,799
Utilisation	(1,630,209)
Balance at 31 March 2017	<u>20,480,590</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 and grants in relation to the RCEF loan fund, as per the funding agreement.

## 11. Share capital

	2017	2016
	£	£
<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>

## 12. Residual interest

	£
At 1 April 2016	6,422,767
Net incoming resources for the year	13,996
At 31 March 2017	<u>6,436,763</u>

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

## 13. 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.