

**Company Registration No. 04698093**

**(England and Wales)**

**ACCELERATING GROWTH FUND LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
31 MARCH 2023**



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**COMPANY INFORMATION**

**Directors** Julie Hill (retired 1 November 2022)  
Marcus Gover (retired 1 November 2022)  
Sarah Chapman  
Susan Corbett  
Claire Shrewsbury

**Secretary** Paul Suller

**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** Rathbone Greenbank Investments  
8 Finsbury Circus  
London  
EC2M 7AZ

Royal London Asset Management  
55 Gracechurch Street  
London  
EC3V 0RL

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**DIRECTORS' REPORT****FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their annual report and financial statements for the year ended 31 March 2023.

**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.

Investment income at £72k is £34k higher than 2021/22 with £64k from an ESG fund managed by Rathbones Greenbank.

The loss for the year was £13k compared with £811k profit for 2021/22. The main difference was unrealised net losses on investments for the year of £29k compared to £792k gain in 2021/22.

The value of the cash and listed investments managed by Rathbones Greenbank in an ESG fund has fallen to £3.9m (2022 £4.3m) due to market movements that favoured energy, mining, and tobacco stocks, and to which AGF has no exposure.

However, this unrealised loss was largely offset by gains in the unlisted portfolio where AGF holds £8.9m (2022 £7.1m) in mixed-motive investments to deliver charitable impact whilst also generating financial return: £4.2m (2022 £3.2m) in Circularity European Growth Funds, £3.9m (2022 £3.9m) in Sicut Enterprises Ltd, £0.5m in Greyparrot (2022 nil), £0.4m in (2022 nil) Winnow.

Provision has been made, in accordance with the deed of covenant, to gift £43k to the parent charity.

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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' 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 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 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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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 29 June 2023 and signed on their behalf by



Claire Shrewsbury  
**Director**

### **Opinion**

We have audited the financial statements of Accelerating Growth Fund Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of income and retained earnings, balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2023 and of its profit 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Accelerating Growth Fund Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the directors' annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a

material misstatement in the financial statements themselves. 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; and
- 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' annual 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

**Capability of the audit in detecting irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the company from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**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)  
22 November 2023  
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 2023**

	Note	2023 £	2022 Restated £
<b>Total income</b>		-	2,417
<b>Expenditure</b>			
Direct expenditure		(50,270)	(6,473)
<b>Gross deficit</b>		<b>(50,270)</b>	<b>(4,056)</b>
Administration expenses		(5,618)	(13,873)
<b>Operating (deficit)/ surplus</b>	<b>3</b>	<b>(55,888)</b>	<b>(17,929)</b>
Interest and dividends receivable	<b>4</b>	71,660	37,163
<b>Operating surplus on ordinary activities</b>		<b>15,772</b>	<b>19,235</b>
Net (loss)/gains on investments		(28,711)	791,810
<b>Operating (loss)/surplus before taxation</b>		<b>(12,939)</b>	<b>811,045</b>
Taxation on surplus on ordinary activities	<b>5</b>	-	-
<b>Total comprehensive (expenditure)/income</b>		<b>(12,939)</b>	<b>811,045</b>
<b>Retained Earnings</b>			
Retained earnings brought forward at the beginning of the year	<b>14</b>	14,988,710	15,073,163
Total comprehensive (expenditure)/income for the year		(12,939)	811,045
Gift aid distribution to parent charity		(43,051)	(29,183)
Distribution of reserves		-	(866,315)
Retained earnings carried forward at the end of the year		<b>14,932,720</b>	<b>14,988,710</b>

All the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All movements in equity are included within the statement above.

The notes on pages 10 to 14 form part of these financial statements.

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 Restated £
<b>Fixed assets</b>			
Investments	8	12,842,721	11,381,843
<b>Current assets</b>			
Short term investments	7	1,208,082	3,119,715
Cash at bank and in hand	6	948,675	520,858
		<b>2,156,757</b>	<b>3,640,573</b>
<b>Creditors:</b> Amounts falling due within one year	10	(66,756)	(33,704)
<b>Net current assets</b>		<b>2,090,001</b>	<b>3,606,869</b>
<b>Total assets less current liabilities</b>		<b>14,932,722</b>	<b>14,988,712</b>
<b>Net assets</b>		<b>14,932,722</b>	<b>14,988,712</b>
<b>Capital and reserves</b>			
Called up share capital	11	1	1
Retained earnings		14,932,721	14,988,711
Reserves		<b>14,932,722</b>	<b>14,988,712</b>

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 10 to 14 form part of these financial statements.

The financial statements were approved by the Board on 29 June 2023 and signed on its behalf by



Claire Shrewsbury  
**Director**  
**Company Registration No. 04698093**

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**NOTES AND ACCOUNTING POLICIES****1. Basis of financial statements and accounting policies**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Companies Act 2006.

The directors have taken advantage of the reduced disclosure framework exemptions as noted in FRS 102 section 1.12. 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 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. The financial statements have been prepared on the historical cost basis.

The Directors consider that there are no material uncertainties about the company's ability to continue as a going concern based on a cash balance at the year-end of £2.16m and the requirements on the cash over the 12 months from the signing of the accounts.

**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 2<sup>nd</sup> 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. 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.

**1.3. 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. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

**1.4. Investments**

Listed investments are stated at fair value on the balance sheet date. Costs including management fees and contributions to due diligence costs are written off as incurred. Unlisted investments are included at their fair value if this can be quantified accurately otherwise they are included at cost less impairment. Where a company has raised a further round of investment, the fair value of the investment held is based on the latest value of the

company's shares. Any change in valuation is taken to the Statement of Income and Retained earnings.

#### 1.5. Debtors

Debtors are loans receivable less any provision for impairment.

#### 1.6. Cash

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### 1.7. Short-term investments

Short term investments include notice accounts and deposits with an original term of 30 days or more.

#### 1.8. Creditors

Short term creditors are measured at the transaction price.

#### 1.9. Foreign Exchange

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are recognised in profit or loss in the period in which they arise.

#### 2. Turnover

Turnover is attributable to the principal activity of the company.

#### 3. Profit before tax is stated after charging:

	2023 £	2022 £
Auditor's remuneration (excluding VAT):		
Audit	<u>2,500</u>	<u>2,250</u>

#### 4. Interest and dividends receivable

	2023 £	2022 £
Bank interest	649	274
Investment income	<u>71,011</u>	<u>36,889</u>
Total Interest	<u>71,660</u>	<u>37,163</u>

#### 5. 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. A deed of covenant is in place to allow the Company to make qualifying donations of all taxable profit to the Charity.

**a) Analysis of charge in period**

Current tax:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
UK corporation tax at 19% (2022: 19%) on the surplus on ordinary activities		
- Current tax on income for the period	43,051	29,183
- Distribution under Gift Aid to parent undertaking	(43,051)	(29,183)
--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 (2022: lower) than the standard rate of corporation tax in the UK (19%; 2022: 19%). The differences are explained below:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Surplus on ordinary activities before tax	<u>15,772</u>	<u>19,235</u>
Current tax at 19% (2022: 19%)	2,997	3,655
<i>Effects of:</i>		
Surplus /(deficit) on activities outside the scope of corporation tax	40,054	25,528
Total tax charge for the period	<u>43,051</u>	<u>29,183</u>

**6. Cash at bank and in hand**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash	948,675	520,858
	<u>948,675</u>	<u>520,858</u>

**7. Short Term Investments**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Short Term Investments	1,208,082	3,119,715
	<u>1,208,082</u>	<u>3,119,715</u>

**8. Listed / Unlisted Investments**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>Restated £</b>
Fair value at the start of the year	11,323,450	5,535,240
Additions at cost	2,397,208	5,239,398
Disposal proceeds	(849,329)	(248,030)
Net loss on change in fair value	(98,664)	796,842
	<b>12,772,665</b>	<b>11,323,450</b>
Cash held by investment broker pending reinvestment	70,056	58,393
Fair value at the end of the year	<b>12,842,721</b>	<b>11,381,843</b>

**9. Investments comprise**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>Restated £</b>
UK Common investment funds	-	-
Shares listed on the London Stock Exchange	3,829,964	4,242,131
Unlisted shares in UK registered companies	8,942,701	7,081,320
Cash and cash equivalents	70,056	58,393
	<b>12,842,721</b>	<b>11,381,843</b>

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Amounts due to parent undertaking	62,357	29,183
Accruals and deferred income	4,400	4,522
	<b>66,757</b>	<b>33,705</b>

**11. Share capital**

	<b>2023</b>	<b>2022</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>

**12. Related party transactions**

The company has taken advantage of the exemptions not to disclose any transactions with its parent undertaking conferred by FRS 102 on the grounds that the company's results are included in the consolidated results of the parent undertaking.

**13. Ultimate parent company**

The ultimate parent company is The Waste and Resources Action Programme, a charitable incorporated organisation registered in England and Wales (no. 1159512).

The company is a subsidiary of The Waste and Resources Action Programme, a charitable incorporated organisation (no. 1159512). 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 entity are available to the public and may be obtained from the Charity Commission. The company distributes available profits to its parent undertaking.

**14. Prior year adjustment**

The Circular European Growth Funds held by AGF have been uplifted to fair value in line with the unlisted investment accounting policy. A reliable estimate of fair value is provided quarterly by the fund manager Circularity Capital. The adjustment has impacted funds and results for the prior year as follows:

	<b>31 March 2022 £</b>	<b>01 April 2021 £</b>
Retained Earnings previously reported	13,709,642	14,774,881
Prior period adjustment		
Revaluation of investments holding	1,279,068	298,282
	<b><u>14,998,710</u></b>	<b><u>15,073,163</u></b>
	<b>31 March 2022 £</b>	
Net comprehensive expenditure as previously reported	(169,741)	
Prior period adjustment		
Revaluation of investments holding	980,786	
Net comprehensive income as restated	<b><u>811,045</u></b>	