

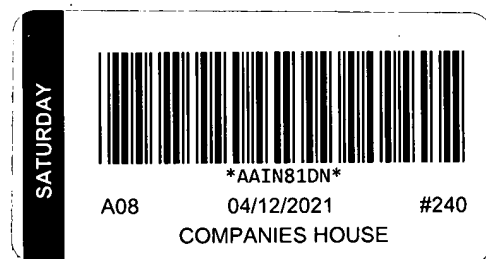
ARGENTENERGY

Argent Energy Properties Limited

Annual report and financial
statements

Registered number 05813970

31 December 2020



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Company information

Directors A W Dane (resigned 9th July 2020)
E P Rietkerk
N Dean (appointed 9th July 2020)

Secretary D C Morris

Company number 05813970

Registered office Swire House
59 Buckingham Gate
London
SW1E 6AJ

Auditor KPMG LLP
319 St Vincent Street
Glasgow
G2 5AS

Banker HSBC Bank Plc
141 Bothwell Street
Glasgow
G2 7EQ

Directors' report

The directors present their annual report together with the audited financial statements for the year ended 31 December 2020.

Principal activity and business review

The principal activity of the Argent Energy group of companies (the "Group") is waste to energy biodiesel manufacturing and distribution, operating multi-feedstock plants in the United Kingdom and The Netherlands.

The profit for the year after taxation was £114,000 (2019: £87,000) which was driven largely by interest received. No dividends were paid in 2020 (2019: £Nil). The directors do not recommend the payment of a full-year dividend.

Going concern

The former principal activity of Argent Energy Properties Limited (the "Company") was a property holding company. As part of a simplification of the legal entity structure of its UK operations, on 1st January 2019, the trade and assets of the Company was transferred to Argent Energy (UK) Limited and the directors took the decision to cease trading within Argent Energy Properties Limited.

The Company is ultimately wholly owned by John Swire & Sons Limited and therefore has access to the resources required to fund ongoing operations and any future expansion of the business. With the continued support of its ultimate parent, John Swire & Sons Limited, the Company will continue to act in this capacity in 2021 and beyond.

As the directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis. The effect of this is set out in note 1.

Covid-19

The directors have prepared Group cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, including the potential impact of Covid-19, the Company will have sufficient funds, including where required through funding from its immediate parent.

Directors

The directors who held office during the year and up to the date of signing these accounts are shown below:

A W Dane (resigned 9th July 2020)

E P Rietkerk

N Dean (appointed 9th July 2020)

Directors' indemnities

The Company's ultimate parent company, John Swire & Sons Limited, maintains directors' and officers' liability insurance and pension trustees' liability insurance, which gives appropriate cover for any legal action brought against the directors and officers of the company.

Directors' report (Continued)

Charitable and political donations

The Company did not make any charitable or political donations during the year or prior year.

Annual general meeting

Pursuant to Section 303 of the Companies Act 2006, the Company's members have not required the directors to call an annual general meeting of the Company.

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 auditor is unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



N Dean
Director

Swire House
59 Buckingham Gate
London
SW1E 6AJ

2nd December 2021

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 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 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, relevant and reliable;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARGENT ENERGY PROPERTIES LIMITED

Opinion

We have audited the financial statements of Argent Energy Properties Limited ("the company") for the year ended 31 December 2020 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its result for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We draw attention to the disclosure made in note 1.2 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the Company's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARGENT ENERGY PROPERTIES LIMITED (CONTINUED)

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; 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

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARGENT ENERGY PROPERTIES LIMITED
(CONTINUED)**

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Bruce Marks (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

319 St Vincent Street
Glasgow
G2 5AS

Date: 2 December 2021

Profit and loss account
for the year ended 31 December 2020

	<i>Note</i>	2020 £000	2019 £000
Administrative expenses		(2)	(2)
Operating loss	2	(2)	(2)
Interest receivable and similar income	4	116	152
Profit before taxation		114	150
Taxation	5	-	(63)
Profit for the financial year		114	87

The company had no Other Comprehensive Income during the year other than the profit as set out above.
Notes on pages 11 to 17 form part of these financial statements.

Balance sheet
as at 31 December 2020

	<i>Note</i>	2020 £000	2019 £000
Current assets			
Debtors	6	7,178	7,061
		<u>7,178</u>	<u>7,061</u>
Creditors: amounts falling due within one year	7	(240)	(237)
		<u>(240)</u>	<u>(237)</u>
Net assets		<u><u>6,938</u></u>	<u><u>6,824</u></u>
Capital and reserves			
Called up share capital	9	5,122	5,122
Profit and loss account		1,816	1,702
		<u>6,938</u>	<u>6,824</u>
Shareholders' funds		<u><u>6,938</u></u>	<u><u>6,824</u></u>

Notes on pages 11 to 17 form part of these financial statements.

These financial statements were approved by the board of directors on 2nd December 2021 and were signed on its behalf by:



N Dean
Director

Statement of Changes in Equity

	Called up share capital £000	Profit and loss account £000	Revaluation reserve £000	Total £000
Balance at 1 January 2019	5,122	522	1,093	6,737
Transfer between reserves	-	1,093	(1,093)	-
Total comprehensive income for the year				
Profit for the financial year	-	87	-	87
Total comprehensive income for the period	-	87	-	87
Balance at 31 December 2019	5,122	1,702	-	6,824

	Called up share capital £000	Profit and loss account £000	Revaluation reserve £000	Total £000
Balance at 1 January 2020	5,122	1,702	-	6,824
Total comprehensive income for the year				
Profit for the financial year	-	114	-	114
Total comprehensive income for the period	-	114	-	114
Balance at 31 December 2020	5,122	1,816	-	6,938

Notes

(forming part of the financial statements)

1 Accounting policies

Argent Energy Properties Limited (the "Company") is a private company incorporated, domiciled and registered in England, in the UK. The registered number is 05813970 and the Company's registered address is Swire House, 59 Buckingham Gate, London, SW1E 6AJ.

The Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The presentation currency of these financial statements is Sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's ultimate parent undertaking, John Swire & Sons Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of are prepared in accordance with the International Financial Reporting Standards and are available to the public and may be obtained from Swire House, 59 Buckingham Gate, London, SW1E 6AJ.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of the compensation of Key Management Personnel; and
- disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- certain disclosures required by IFRS 13: Fair Value Measurement and the disclosures required by IFRS 7: Financial Instrument Disclosures.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these financial statements.

The financial statements are prepared on the historical cost basis. There are no judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements for the historic or forecast years. The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

Notes (*continued*)

1 Accounting policies (*continued*)

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

On 1st January 2019 the directors took the decision to cease trade following a simplification of the legal entity structure of its UK operations which resulted in the trade and assets of Argent Energy Properties Limited being transferred to Argent Energy (UK) Limited. The company has been dormant since this date and accordingly, the directors have not prepared the financial statements on a going concern basis.

1.3 Non-derivative financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.4 Expenses

Interest receivable

Other interest receivable and similar income include interest receivable on funds invested:-

Interest income is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

1.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Notes (continued)

1 Accounting policies (continued)

1.6 Adopted IFRS not yet applied

The following Adopted IFRSs have been issued but have not been applied by the Group in these financial statements. Their adoption is not expected to have a material effect on the financial statements:

IFRS 16 Leases

IFRS 16 is effective for annual periods beginning on or after 1 January 2019 and requires that upon lease commencement, for all leases, a lessee recognises a right-of-use asset and a lease liability subject to two exemptions ('low-value assets' and short-term leases). This is likely to result in the Company's operating leases being reflected as an asset with a corresponding lease liability.

1.7 Changes in accounting policies

In these financial statements the Company has changed its accounting policies in the following areas:

Financial Instruments, where IFRS 9 was adopted with effect from 1st of January 2018.

Revenue from Contracts with Customers, where IFRS 15 was adopted with effect from 1st of January 2018.

The adoption of these accounting standards did not have a material impact on the reported results of the Company.

2 Expenses and auditor's remuneration

Included in profit are the following:

Auditor's remuneration:

	2020 £000	2019 £000
Audit of these financial statements	2	2
	<hr/>	<hr/>

Notes (continued)

3 Staff costs

The total remuneration received by directors during the year was £ Nil (2019: £ Nil). No benefits were accrued in relation to money purchase retirement schemes on behalf of directors in either 2020 or 2019.

The Company considers that there is no practicable method to accurately allocate a portion of the emoluments the other Directors receive from their respective Group company employer to the qualifying services they provide to the Company. The Company is also of the opinion any allocation would be immaterial.

4 Interest receivable and similar income

	2020 £000	2019 £000
Interest receivable on amounts due from group undertakings	116	152

Notes (continued)

5 Taxation

Total tax expense recognised in the profit and loss account

	2020 £000	2019 £000
<i>Current tax:</i>		
Current tax on income for the period	-	-
Adjustment in respect of prior year	-	65
	<hr/>	<hr/>
Total current tax	-	65
	<hr/>	<hr/>
<i>Deferred tax (see note 8):</i>		
Origination and reversal of timing differences	-	(2)
	<hr/>	<hr/>
Total deferred tax	-	(2)
	<hr/>	<hr/>
Total tax	-	63
	<hr/>	<hr/>

Reconciliation of effective tax rate

	2020 £000	2019 £000
Profit for the year	114	87
Total tax expense	-	63
	<hr/>	<hr/>
Profit excluding taxation	114	150
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 19% (2019: 19%)	22	28
Under/(over) provided in prior years	(44)	64
Group relief claimed	22	(29)
	<hr/>	<hr/>
Total tax expense included in the profit and loss account	-	63
	<hr/>	<hr/>

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. The deferred tax asset as at 31 December 2020 was calculated based on these rates.

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021.

Notes (continued)

6 Debtors

	2020 £000	2019 £000
Amounts owed by group undertakings	7,176	7,059
Deferred tax asset (See note 8)	2	2
	<u>7,178</u>	<u>7,061</u>

Amounts due from group undertakings are repayable on demand and are subject to interest charges at 1.68%.

7 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Accruals and deferred income	5	2
Corporation tax	235	235
	<u>240</u>	<u>237</u>

8 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributed to the following:

	Assets		Liabilities		Net	
	2020 £000	2019 £000	2020 £000	2019 £000	2020 £000	2019 £000
Depreciation in excess of capital allowances	<u>2</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

Notes (continued)

9 Called up share capital

Share capital

	Ordinary shares	
	2020 £000	2019 £000
Allotted, called up and fully paid		
51,220,100 ordinary shares of £0.10 each	5,122	5,122
	<hr/>	<hr/>
Shares classified in shareholders' funds	5,122	5,122
	<hr/>	<hr/>
	5,122	5,122
	<hr/>	<hr/>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

10 Related Parties

The Company's ultimate parent undertaking, John Swire & Sons Limited indirectly controls all of the share capital in the Company. Therefore the Company is exempt from the requirements of FRS 8: "Related Party Disclosures" and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

The Company's immediate parent company is Argent Energy Group Limited, a company registered in England and Wales and the ultimate parent company is John Swire & Sons Limited, a company registered in England and Wales.

Copies of the consolidated financial statements of John Swire & Sons Limited, the only financial statements to consolidate the results of the Company, are available from Swire House, 59 Buckingham Gate, London SW1E 6AJ.

On 1st January 2019, the trade and assets of Argent Energy Properties Limited were transferred to Argent Energy (UK) Limited. The Company has been dormant since this date.

11 Subsequent Events

There were no other significant events occurring after the balance sheet date which need disclosure in these financial statements.