

Company Registration No. 07331936

**DV4 CRC TRADERS UK LIMITED**  
**DIRECTORS' REPORT AND AUDITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2021**



**DV4 CRC TRADERS UK LIMITED**

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**DV4 CRC TRADERS UK LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	DV4 Administration Limited Andrew Parsons
<b>Registered number</b>	07331936
<b>Registered office</b>	6th Floor Lansdowne House Berkeley Square London W1J 6ER
<b>Independent auditor</b>	Ernst & Young LLP 1 More London Place London SE1 2AF

## **DV4 CRC TRADERS UK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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The Directors present their report and the financial statements for the year ended 31 March 2021.

#### **Principal activity**

The principal activity of the Company is to purchase, sell and trade Carbon Reduction Commitment allowances on behalf of the DV4 Group. The Carbon Reduction Commitment Scheme ended in 2019 and so the Company's current activities are ending. Although the CRC scheme has elapsed, the company will be retained for potential use for future green schemes.

#### **Results and dividends**

The loss for the year, amounted to £8,456 (2020 - £3,668).

The Directors are unable to recommend payment of an ordinary dividend.

#### **Principal risks and uncertainties**

The principal risks and uncertainties relate to the level of carbon reduction costs incurred and the ability to recharge these to property-owning entities.

The Company's key performance indicators are:

	2021	2020
	£	£
Loss for the year	(8,456)	(3,668)
Net liabilities	(47,831)	(39,375)

#### **Directors**

The following Directors held office during the year:

DV4 Administration Limited  
Andrew Parsons

## DV4 CRC TRADERS UK LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

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#### Going concern

The financial statements have been prepared on a going concern basis. In considering whether this is appropriate, the Directors have taken into account the following:

- The Company had net current liabilities and total net liabilities of £47,831 as at 31 March 2021.
- The ultimate parent Company has undertaken to continue to provide such financial support as the Company may require for the period to 30 September 2022.

Given the significant impact of Covid-19 on the macro-economic conditions in which the Company is operating, the Directors have placed a particular focus on the appropriateness of adopting the going concern basis in preparing the financial statements for the year ended 31 March 2021.

The Company's going concern assessment covers the period to 30 September 2022 and takes into account the company's budgeted downside factors, including losses from operating leases/activities and changes in fair value of investment properties. Management continues to monitor the Covid-19 situation as it develops and has taken several measures to protect its cash flows.

The ultimate parent Company, DV4 Limited, has agreed to provide continued financial support to the Company for the foreseeable future to meet its obligations as and when they fall due, for the period to 30 September 2022, to the extent that the Company is unable to meet its liabilities.

Taking into account the position of the ultimate parent Company, and their assessment of the impact of Covid-19, the Directors are of the view, to the best of their current knowledge, that DV4 Limited will be able to financially support the Company for the foreseeable future and Covid-19 will not have a material adverse impact on the Company's and Group Companies' ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### Disclosure of information to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware. Having made enquiries of fellow directors and the Group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

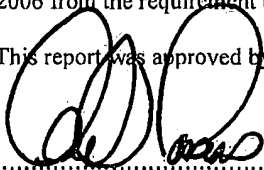
#### Auditor

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company.

#### Small companies provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. The Directors have also taken advantage of the exemption provided under section 414B of the Companies Act 2006 from the requirement to produce a strategic report for the year.

This report was approved by the board and signed on its behalf by:



.....  
Andrew Parsons  
Director

Date: September 30, 2021

**DV4 CRC TRADERS UK LIMITED**

**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

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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 the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.*

## **DV4 CRC TRADERS UK LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DV4 CRC TRADERS UK LIMITED**

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#### **Opinion**

We have audited the financial statements of DV4 CRC Traders UK Limited (the 'company') for the year ended 31 March 2021 which comprise Income Statement, Statement of Financial Position and the related notes 1 to 9, 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 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 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 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 the Company's ability to continue as a going concern for a period to 30 September 2022 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

#### **Other information**

The other information comprises the information included in the 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 this 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 there is 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

**DV4 CRC TRADERS UK LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DV4 CRC TRADERS UK LIMITED**

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**Opinion 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' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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' 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' report and from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities 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, 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.



## DV4 CRC TRADERS UK LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DV4 CRC TRADERS UK LIMITED

#### 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are Companies Act 2006, Bribery Act 2010 and Money Laundering regulations.
- We understood how DV4 CRC Traders UK Limited is complying with those frameworks by making inquiries of management to understand how the Company maintain and communicate their policies and procedures in these areas, those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud; determining which account balances are subjective in nature; understanding the Company's key performance indicators; understanding the basis for which investment advisory fees are determined; and considering the processes and controls which the Company has established to prevent and detect fraud, and how those controls are monitored.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved inquiries of management and those charged with governance, journal entries testing with a focus on manual consolidation journals and journals indicating large or unusual transactions based on our understanding of the business.

A further description of our responsibilities for the audit of the financial statements is located 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.

DocuSigned by:



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Daniel Saunders (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

Date: September 30, 2021

**DV4 CRC TRADERS UK LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cost of sales		-	(280)
<b>Gross loss</b>		-	(280)
Administrative expenses		(10,440)	(4,248)
<b>Loss on ordinary activities before taxation</b>	4	(10,440)	(4,528)
Taxation	5	1,984	860
<b>Loss for the financial year</b>		<u>(8,456)</u>	<u>(3,668)</u>

The notes on pages 10 to 13 form part of these financial statements.

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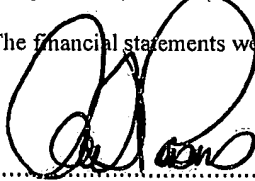
## DV4 CRC TRADERS UK LIMITED

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
<b>Current assets</b>			
Debtors	6	2,844	39,710
Creditors: amounts falling due within one year	7	(50,675)	(79,085)
<b>Net current liabilities</b>		<u>(47,831)</u>	<u>(39,375)</u>
<b>Net liabilities</b>		<u>(47,831)</u>	<u>(39,375)</u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss reserve		(47,832)	(39,376)
<b>Shareholder's deficit</b>		<u>(47,831)</u>	<u>(39,375)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



.....  
Andrew Parsons  
Director

Date: September 30, 2021

The notes on pages 10 to 13 form part of these financial statements.

## DV4 CRC TRADERS UK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. General information

DV4 CRC Traders UK Limited is a private company limited by share capital, incorporated in England and Wales, registered number 07331936. The address of the registered office is 6th Floor Lansdowne House, Berkeley Square, London W1J 6ER.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A - small entities of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

##### 2.2 Going concern

The financial statements have been prepared on a going concern basis. In considering whether this is appropriate, the Directors have taken into account the following:

- The Company had net current liabilities and total net liabilities of £47,831 as at 31 March 2021.
- The ultimate parent Company has undertaken to continue to provide such financial support as the Company may require for the period to 30 September 2022.

Given the significant impact of Covid-19 on the macro-economic conditions in which the Company is operating, the Directors have placed a particular focus on the appropriateness of adopting the going concern basis in preparing the financial statements for the year ended 31 March 2021.

The Company's going concern assessment covers the period to 30 September 2022 and takes into account the company's budgeted downside factors, including losses from operating leases/activities and changes in fair value of investment properties. Management continues to monitor the Covid-19 situation as it develops and has taken several measures to protect its cash flows.

The ultimate parent Company, DV4 Limited, has agreed to provide continued financial support to the Company for the foreseeable future to meet its obligations as and when they fall due, for the period to 30 September 2022, to the extent that the Company is unable to meet its liabilities.

Taking into account the position of the ultimate parent Company, and their assessment of the impact of Covid-19, the Directors are of the view, to the best of their current knowledge, that DV4 Limited will be able to financially support the Company for the foreseeable future and Covid-19 will not have a material adverse impact on the Company's and Group Companies' ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

##### 2.3 Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

##### 2.4 Cash flow statement

The Company has taken advantage of the exemption in section 1A 8 of FRS 102 from the requirement to produce a cash flow statement on the grounds that it is a small company.

**DV4 CRC TRADERS UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021****2. Accounting policies (continued)****2.5 Short term debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement under other operating expenses.

**2.6 Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Management consider that there are no judgements (apart from those involving estimates) that have had a significant effect on amounts recognised in the financial statements.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

**3. Employees**

The Company had no employees during the year (2020: none).

The Directors did not receive emoluments or fees for their duties as directors of the Company during the current year (2020: £nil).

**4. Loss on ordinary activities before taxation**

The operating loss is stated after charging an audit fee of £4,220 (2020: £3,540).

**5. Taxation**

	2021 £	2020 £
<b>Analysis of tax credit for the year</b>		
Group relief receipts in relation to current period	(1,984)	(860)
<b>Current tax credit</b>	<u>(1,984)</u>	<u>(860)</u>

**DV4 CRC TRADERS UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021****5. Taxation (continued)****Factors affecting the total tax charge for the period**

	2021 £	2020 £
Loss on ordinary activities before taxation	(10,440)	(4,528)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(1,984)	(860)
Effects of:		
Group relief surrendered	-	860
Group relief receipts	-	(860)
<b>Total tax credit</b>	<b>(1,984)</b>	<b>(860)</b>

The current rate of corporation tax is 19%. The Finance Act 2020, which was substantially enacted on 17 March 2020, left the headline rate of corporation tax at 19% from 1 April 2020. In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. The proposal to increase the rate to 25% had not been substantively enacted at the date of the Statement of Financial Position.

**6. Debtors**

	2021 £	2020 £
Trade debtors	-	38,850
Group relief receivable	2,844	860
	<b>2,844</b>	<b>39,710</b>

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

	2021 £	2020 £
Amounts due to ultimate parent undertaking	44,705	74,837
Accruals	5,970	4,248
	<b>50,675</b>	<b>79,085</b>

**DV4 CRC TRADERS UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**8. Related party transactions**

At 31 March 2021 the Company owed its ultimate parent undertaking £44,705 (2020: £74,837). The balance is interest free and repayable on demand.

**9. Controlling party and parent undertaking**

The Company's immediate and ultimate parent undertaking is DV4 Limited, a Company registered and incorporated in the British Virgin Islands. DV4 Limited is the parent of the largest and smallest Group of which the Company is a member and for which Group financial statements are prepared.