

Registered number: 08680126

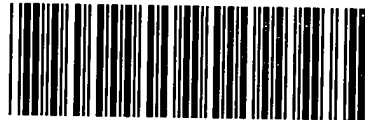
GRANGE FARM RENEWABLE ENERGY LIMITED

Annual report and financial statements

Abbreviated Accounts

For the Year Ended 28 February 2015

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GRANGE FARM RENEWABLE ENERGY LIMITED

Independent Auditors' Report to Grange Farm Renewable Energy Limited Under Section 449 of the Companies Act 2006

Our opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.

This opinion is to be read in the context of what we say in the remainder of this report.

Basis for our qualified opinion

The full financial statements were qualified, as we were appointed as auditors to the company after the year end, we were unable to attend the year end stock counts. We were unable to perform alternative procedures to satisfy ourselves as to the existence or condition of the year-end stock.

What we have examined

We have examined the abbreviated financial statements set out on pages 2 to 5, together with the financial statements of Grange Farm Renewable Energy Limited for the year ended 28 February 2015 prepared under section 396 of the Companies Act 2006.

Respective responsibilities of directors and auditors

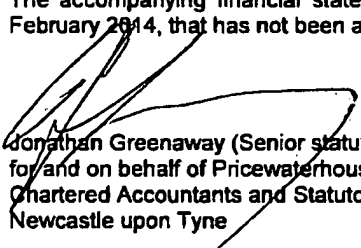
The directors are responsible for preparing the abbreviated financial statements in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements are properly prepared.

This report, including the opinion, has been prepared for and only for the company for the purpose of section 449 of the Companies Act 2006 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other matters - unaudited prior year comparatives

The accompanying financial statements include comparative information as at, and for the year ended 28 February 2014, that has not been audited or reviewed.



Jonathan Greenaway (Senior statutory auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne

25 November 2015

GRANGE FARM RENEWABLE ENERGY LIMITED

Registered number: 08680126

Abbreviated Balance Sheet
As at 28 February 2015

	Note	£	2015 £	£	Unaudited 2014 £
FIXED ASSETS					
Tangible assets	2		1,979,832		-
CURRENT ASSETS					
Stocks		100,000		-	
Debtors		94,172		-	
Cash at bank		1,080,039		1	
		<u>1,274,211</u>		<u>1</u>	
CREDITORS: amounts falling due within one year		<u>(419,839)</u>		<u>-</u>	
NET CURRENT ASSETS			854,372		1
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,834,204</u>		<u>1</u>
CREDITORS: amounts falling due after more than one year	3		<u>(3,497,850)</u>		<u>-</u>
NET (LIABILITIES)/ASSETS			<u>(663,646)</u>		<u>1</u>
CAPITAL AND RESERVES					
Called up share capital	4		1		1
Profit and loss account			<u>(663,647)</u>		<u>-</u>
SHAREHOLDERS' (DEFICIT)/FUNDS			<u>(663,646)</u>		<u>1</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 25 November 2015.



G La Loggia
Director

The notes on pages 3 to 5 form part of these financial statements.

GRANGE FARM RENEWABLE ENERGY LIMITED

Notes to the Abbreviated Accounts For the Year Ended 28 February 2015

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going concern

The financial statements have been prepared on the going concern basis. The directors have prepared forecasts and reviewed capital requirements for twelve months from the date of approving these financial statements, which indicate the business can continue to trade for at least twelve months.

Turnover

Turnover comprises income receivable from the energy generated during the period. Any uninvoiced income is accrued in the period in which it has been generated.

Tangible assets and depreciation

Plant and machinery represents the costs of construction of an anaerobic digestion plant.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	4% and 10% straight line
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Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

GRANGE FARM RENEWABLE ENERGY LIMITED

Notes to the Abbreviated Accounts For the Year Ended 28 February 2015

1. ACCOUNTING POLICIES (continued)

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of the financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Unaudited prior period comparatives

The accompanying financial statements include comparative information as at, and for the period ended 28 February 2014, that has not been audited or reviewed.

2. TANGIBLE ASSETS

	£
Cost	
At 1 March 2014	-
Additions	1,979,832
At 28 February 2015	1,979,832
Accumulated depreciation	
At 1 March 2014 and 28 February 2015	-
Net book value	
At 28 February 2015	1,979,832
At 28 February 2014	-

3. CREDITORS:

Amounts falling due after more than one year

Included within amounts owed to group undertakings is £3,497,850 (2014: £Nil) which is secured by a fixed and floating charge over the assets of the company. The loan bears interest at 8.5% (2014: 0%) and is repayable after more than five years.

GRANGE FARM RENEWABLE ENERGY LIMITED

Notes to the Abbreviated Accounts For the Year Ended 28 February 2015

4. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
100 Ordinary shares of £0.01 each	<u>1</u>	<u>1</u>

5. RELATED PARTY TRANSACTIONS

Seed Energy Limited

During the year ended 28 February 2015 Seed Energy Limited purchased 100 £0.01 ordinary shares in the company from Qila Energy LLP. Subsequently in the year 90 of these £0.01 ordinary shares were sold to Brangus Power Limited for a total consideration of £1.00. The remaining 10 £0.01 ordinary shares were converted into deferred shares.

Angus Power Limited

During the year ended 28 February 2015 90 £0.01 ordinary shares in the company were purchased by Angus Power Limited for a total consideration of £1.00 from Seed Energy Limited.

During the year ended 28 February 2015, a loan totalling £3,497,850 (2014: £nil) was received from Angus Power Limited, a related party due to its shareholding in and significant influence over the entity. At the period end, an amount of £3,497,850 (2014: £nil) was outstanding and included within creditors. Interest of £231,337 (2014: £nil) was payable on the loan with £225,275 (2014: £nil) included in within accruals at year end.

Octopus Investments Limited

During the year ended 28 February 2015, the company was invoiced £236,529 (2014: £nil) in respect of rechargeable expenses respectively by Octopus Investments Limited, a related party due to its significant influence over the entity.

At the year end, an amount of £2,937 (2014: £nil) was outstanding and is included in trade creditors. In addition an amount of £20,160 (2014: £nil) is included in prepayments as the relevant invoices relate to the following year.

Fern Trading Limited

During the year ended 28 February 2015, a facility for £1,146,666 was extended to the company by Fern. The facility was to be drawn on based on requirements for capital expenditure, working capital and VAT. This facility was not utilised in the year.

6. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Angus Power Limited is the immediate parent company and ultimate parent undertaking. The directors do not consider the company to have an ultimate controlling party, by virtue of a split holdings in its shares. The results of the company are not consolidated within any other company.