

Registered number: 08680126

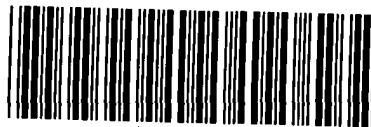
**GRANGE FARM RENEWABLE ENERGY LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 30 JUNE 2020**

FRIDAY



\*AA2JSJE0\*

A05

16/04/2021

#206

COMPANIES HOUSE

**GRANGE FARM RENEWABLE ENERGY LIMITED**  
**REGISTERED NUMBER: 08680126**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	4	3,216,550	3,382,090
		<u>3,216,550</u>	<u>3,382,090</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	5	50,000	-
Debtors: amounts falling due within one year	5	272,743	269,001
Cash at bank and in hand		318,566	431,002
		<u>641,309</u>	<u>700,003</u>
Creditors: amounts falling due within one year	6	(478,632)	(144,543)
<b>Net current assets</b>		<u>162,677</u>	<u>555,460</u>
<b>Total assets less current liabilities</b>		<u>3,379,227</u>	<u>3,937,550</u>
Creditors: amounts falling due after more than one year	7	(2,514,571)	(2,945,689)
<b>Net assets</b>		<u><u>864,656</u></u>	<u><u>991,861</u></u>

**GRANGE FARM RENEWABLE ENERGY LIMITED**  
**REGISTERED NUMBER: 08680126**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 JUNE 2020**

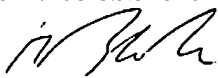
	Note	2020 £	2019 £
Capital and reserves			
Called up share capital		1	1
Profit and loss account		864,655	991,860
		<u>864,656</u>	<u>991,861</u>

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

  
Mr H Massingberd-Mundy  
Director

Date: 13/4/2021

The notes on pages 3 to 9 form part of these financial statements.

---

## GRANGE FARM RENEWABLE ENERGY LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

---

#### 1. General information

Grange Farm Renewable Farm Energy Limited is a private Company, limited by shares, incorporated in England and Wales, registration number 08680126. The registered office is Bury Lodge, Bury Road, Stowmarket, Suffolk, England, IP14 1JA.

The principal activity of the Company is the operation of an anaerobic digestion plant exporting electricity to the grid.

#### 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 of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The financial statements for the prior period were prepared for the 16 month period to 30 June 2019 and as a result comparative figures are not entirely comparable.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The Company's financial statements have been prepared on the going concern basis. The Company is reliant on financing provided by its parent Company. The Company's and the group's ability to continue as a going concern is assisted by the availability of external finance which is provided in the form of a third party loan.

The directors have further considered the Company's position at the time of signing the financial statements in relation to the effects of Covid-19 and its potential impact on the Company, the group and the wider economy. Given the nature of the Company's operations and the fact that there is a desire from the government for renewable energy usage to increase the directors do not consider that the Company will be significantly affected. Nevertheless, the directors have considered the Company's financial position and the ongoing support from the parent Company together with the range of measures the directors could take to mitigate ongoing costs should they need to.

Based on this, the directors have concluded that they have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of signing these financial statement, and they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

---

## GRANGE FARM RENEWABLE ENERGY LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

---

#### 2. Accounting policies (continued)

##### 2.3 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is pound sterling.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

##### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

##### 2.6 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

---

## GRANGE FARM RENEWABLE ENERGY LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

---

## 2. Accounting policies (continued)

### 2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### 2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 15-20 years
---------------------	---------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

### 2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

---

## GRANGE FARM RENEWABLE ENERGY LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

---

#### 2. Accounting policies (continued)

##### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

#### 3. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019 - £NIL).

---

GRANGE FARM RENEWABLE ENERGY LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

---

4. Tangible fixed assets

	Plant and machinery £
<b>Cost or valuation</b>	
At 1 July 2019	4,121,953
Additions	48,364
At 30 June 2020	<u>4,170,317</u>
<b>Depreciation</b>	
At 1 July 2019	739,863
Charge for the year on owned assets	213,904
At 30 June 2020	<u>953,767</u>
<b>Net book value</b>	
At 30 June 2020	<u><u>3,216,550</u></u>
At 30 June 2019	<u><u>3,382,090</u></u>



**GRANGE FARM RENEWABLE ENERGY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**5. Debtors**

	2020 £	2019 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	50,000	-
	<u>50,000</u>	<u>-</u>
	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	-	19,943
Other debtors	17,369	14,140
Prepayments and accrued income	244,797	224,341
Deferred taxation	10,577	10,577
	<u>272,743</u>	<u>269,001</u>

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

	2020 £	2019 £
Trade creditors	11,152	31,978
Amounts owed to group undertakings	417,252	88,750
Accruals and deferred income	50,228	23,815
	<u>478,632</u>	<u>144,543</u>

There are no formal loan agreement in place in relation to amounts owed to group undertakings, the amounts owed are split between due within and after one year based on the amounts expected to be repaid to the parent company GWCM Limited in order to enable to the parent company to meet its external debt repayments. The directors consider this presentation to be appropriate and believe this reflects the economic substance of the transactions.

---

**GRANGE FARM RENEWABLE ENERGY LIMITED**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

---

**7. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Amounts owed to group undertakings	2,514,571	2,945,689
	<u>2,514,571</u>	<u>2,945,689</u>

There are no formal loan agreement in place in relation to amounts owed to group undertakings, the amounts owed are split between due within and after one year based on the amounts expected to be repaid to the parent company GWCM Limited in order to enable to the parent company to meet its external debt repayments. The directors consider this presentation to be appropriate and believe this reflects the economic substance of the transactions.

**8. Contingent liabilities**

The Company has provided a guarantee and security over its assets in relation to a third party loan of £11,495,365 (2019 - £11,270,571) held by its parent Company.

**9. Commitments under operating leases**

At 30 June 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	30,000	30,000
Later than 1 year and not later than 5 years	120,000	120,000
Later than 5 years	327,000	357,500
	<u>477,000</u>	<u>507,500</u>

**10. Related party transactions**

The company qualifies for the exemption under FRS 102 to not disclose transactions between wholly owned group members.

**11. Auditors' information**

The auditors' report on the financial statements for the year ended 30 June 2020 was unqualified.

The audit report was signed on 13 April 2021 by Ian Fitch FCA (Senior statutory auditor) on behalf of Larking Gowen LLP.