Registered number: 08868172

SWALLOWTAIL TRADING LIMITED

UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

SWALLOWTAIL TRADING LIMITED

REGISTERED NUMBER:08868172

BALANCE SHEET
AS AT 31 MARCH 2020

	Note		2020 £		2019 £
Current assets					
Debtors: amounts falling due within one year	5	654,196		4,140,287	
Cash at bank and in hand	6	272,133		4,055	
		926,329		4,144,342	
Creditors: amounts falling due within one year	7	(7,734,657)		(8,141,328)	
Net current liabilities			(6,808,328)		(3,996,986)
Total assets less current liabilities			(6,808,328)		(3,996,986)
Net liabilities			(6,808,328)		(3,996,986)
Capital and reserves					
Called up share capital	8		1		1
Profit and loss account			(6,808,329)		(3,996,987)
			(6,808,328)		(3,996,986)

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 on
29 April 2021

Tom Moore

Thomas William Moore
Director

The notes on pages 2 to 6 form part of these financial statements.

1. General information

Swallowtail Trading Limited is a private limited company by shares and is incorporated in England and Wales. Its registered number is 08868172 and its registered head office is located at 6th Floor, St Magnus House, 3 Lower Thames Street, London, EC3R 6HD. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The accounts have been prepared on a going concern basis, which assumes the company will continue in operational existence for the forseeable future. The directors are aware of their duty to present a balanced assessment of the company financial position and prospects and in concluding that it is appropriate to adopt the going concern basis they have had regard to the fact that whilst the company reported a loss for the financial year of £2,811,341 (2019: £240,364) and net liabilities of £6,808,328 (2019: £3,996,986), there was a net cash inflow of £268,078 (2019: outflow of £358,788) for the year.

The company is able to meet its day to day working capital requirements and the directors believe, with the support of the investors, parent company (Brimstone Life Holdings Limited) and the company's bankers, adequate funding will be available to meet liabilities as they fall due. The directors have prepared forecasts for the next twelve months following the reporting date which are based on appropriate assumptions, market data and past experience, and which takes account of reasonably forseen changes in market conditions and company performance, including the recoverability of the debts due from Grays Biogas Limited, Pendle Renewable Power Limited and Yeo Power Limited.

Following reviews of profitability and cash generation, the directors are satisfied that continued adoption of the going concern basis for preparation of these financial statements is entirely appropriate.

2.3 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.

Turnover represents amounts receivable for interest and similar amounts generated in the year net of any applicable value added tax. Any uninvoiced income is accrued in the period in which it has been generated.

2. Accounting policies (continued)

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Taxation

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 balance sheet date in the countries where the Company operates and generates income.

2.6 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.

2.7 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.

2.8 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.

2.9 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

2. Accounting policies (continued)

2.9 Financial instruments (continued)

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 balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in profit or loss, when and if, better information is obtained.

4. Employees

The average monthly number of employees, including directors, during the year was 1 (2019 - 1).

5. Debtors

	2020 £	2019 £
Trade debtors	-	6,621
Prepayments and accrued income	-	190,360
Amounts owed by group undertakings	220,134	-
Loans	434,062	3,855,519
Corporation tax repayable	-	87,787
	654,196	4,140,287

6. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	272,133	4,055
	272,133	4,055

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	204	-
Amounts owed to parent undertakings	7,709,453	8,114,452
Accruals and deferred income	25,000	26,876
	7,734,657	8,141,328

8. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
100 (2019 - 100) Ordinary shares of £0.01 each	1	1

9. Related party transactions

The company received a loan from its parent company, Brimstone Life Holdings Limited in prior years. At 31 March 2020 £7,709,453 (2019: £8,114,452) remained outstanding. The loan is interest free and repayable on demand.

10. Post balance sheet events

On 11 March 2020 the World Health Organisation declared a global pandemic. As at the balance sheet date the pandemic was ongoing.

The extent of the impact of the coronavirus ("COVID-19") outbreak on the financial performance of the Company will depend on future developments, including the duration and spread of the outbreak and related restrictions and the impact of COVID-19 on the overall economy, all of which are highly uncertain and cannot be predicted. If the overall economy is impacted for an extended period, the Company may be adversely affected.

11. *Controlling party*

The company's immediate and ultimate parent undertaking is Brimstone Life Holdings Limited, a company registered in England and Wales.

The parent company's registered address is 6th Floor, St Magnus House, 3 Lower Thames Street, London, England, EC3R 6HD.