

Company Registration No. 12020505 (England and Wales)

ACORN BIOENERGY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR

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ACORN BIOENERGY LIMITED

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ACORN BIOENERGY LIMITED

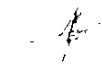
GROUP STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		31 December 2022 £	17 August 2022 £
	Notes		
Non-current assets			
Goodwill	5	799,267	799,267
Property, plant and equipment	6	44,321	10,371
		<u>843,588</u>	<u>809,638</u>
Current assets			
Inventories	9	100,000	100,000
Trade and other receivables	10	5,580,328	2,997,204
Cash and cash equivalents		573,510	27,623
		<u>6,253,838</u>	<u>3,124,827</u>
Current liabilities			
Trade and other payables	14	3,682,158	6,191,199
Lease liabilities	16	7,417	-
Provisions	17	1,567,242	1,567,242
		<u>5,256,817</u>	<u>7,758,441</u>
Net current assets/(liabilities)		<u>997,021</u>	<u>(4,633,614)</u>
Non-current liabilities			
Lease liabilities	16	11,012	-
Net assets/(liabilities)		<u>1,829,597</u>	<u>(3,823,976)</u>
Equity			
Called up share capital	19	2	1
Share premium account	20	6,608,345	-
Retained earnings		(4,778,750)	(3,823,977)
Total equity		<u>1,829,597</u>	<u>(3,823,976)</u>

The directors have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions available to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 September 2023 and are signed on its behalf by:


.....
J Jimenez Labrado
Director

Company Registration No. 12020505

ACORN BIOENERGY LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION


AS AT 31 DECEMBER 2022

		31 December 2022 £	17 August 2022 £
	Notes		
Non-current assets			
Property, plant and equipment	6	44,321	10,371
Investments	7	83,599	83,590
		<u>127,920</u>	<u>93,961</u>
Current assets			
Trade and other receivables	11	5,921,676	3,435,823
Cash and cash equivalents		573,030	27,623
		<u>6,494,706</u>	<u>3,463,446</u>
Current liabilities			
Trade and other payables	15	3,408,200	6,032,247
Lease liabilities	16	7,417	-
Provisions	17	1,567,242	1,567,242
		<u>4,982,859</u>	<u>7,599,489</u>
Net current assets/(liabilities)		<u>1,511,847</u>	<u>(4,136,043)</u>
Non-current liabilities			
Lease liabilities	16	11,012	-
Net assets/(liabilities)		<u>1,628,755</u>	<u>(4,042,082)</u>
Equity			
Called up share capital	19	2	1
Share premium account	20	6,608,345	-
Retained earnings		(4,979,592)	(4,042,083)
Total equity		<u>1,628,755</u>	<u>(4,042,082)</u>

The directors have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions available to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 September 2023 and are signed on its behalf by:


.....
J Jiminez Labrado
Director

Company Registration No. 12020505

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Acorn Bioenergy Limited is a private company limited by shares incorporated in England and Wales. The registered office is First Floor, 5 Fleet Place, London, EC4M 7RD. The company's principal activities and nature of its operations are disclosed in the directors' report.

The group consists of Acorn Bioenergy Limited and all of its subsidiaries.

The company has changed its accounting reference date from 17 August to 31 December. The period covered by these financial statements is the period 18 August 2022 to 31 December 2022, while the comparative figures cover the period 1 June 2021 to 17 August 2022 so are not entirely comparable. The decision to extend the accounting period was made to bring the company's year end in line with the rest of the group.

1.1 Accounting convention

The financial statements have been prepared in accordance with UK adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Business combinations

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Acorn Bioenergy Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.4 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future as the company has access to financing from its shareholders who continue to support the company. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest income is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective rate of interest rate applicable.

1.6 Goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less impairment losses.

The gain on a bargain purchase is recognised in profit or loss in the period of the acquisition.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not subsequently reversed.

1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25% straight line
Motor vehicles	over the life of the asset

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.8 Non-current investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the parent company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of tangible and intangible assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial assets

Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.13 Financial liabilities

The group recognises financial debt when the group becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled, or they expire.

1.14 Equity instruments

Equity instruments issued by the parent company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer payable at the discretion of the company.

1.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.16 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event and it is probable that the group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.19 Leases

At inception, the group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before the commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities and receivables increase as a result of interest charged at a constant rate on the balance outstanding, and are reduced for lease payments made.

Right-of-use assets are depreciated on a straight-line basis over the remaining terms of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

At each reporting end date, the company reviews the carrying amounts of its tangible and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

The group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.20 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.21 Project work in progress

All costs incurred on viable future projects, where transaction costs are likely to be capitalised, are held as work in progress within trade and other receivables on the statement of financial position, until such time that the project reaches financial close and the investment is made in the project. If an investment does not or is unlikely to go ahead, all costs are recognised immediately in the income statement.

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no estimates nor assumptions which are deemed to have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Adoption of new and revised standards and changes in accounting policies

New standards, interpretations and amendments effective for current year

In the current year, the company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements and so have not been discussed in details in the notes:

- Amendments to IAS 16: Property, Plant and Equipment - Proceeds before Intended Use
- Amendments to IFRS 1 and IFRS 9 : Annual Improvements 2018-2020 Cycle
- Amendments to IFRS 3: Reference to the Conceptual Framework

New standards, interpretations and amendments not yet effective

At the date of authorisation of these financial statements, the company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Amendments effective for the period beginning 1 January 2023:

- Amendments to IAS 1: Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- Amendments to IAS 1: Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
- Amendments to IAS 12 Income Taxes - Deferred Tax relating to Assets and Liabilities arising from a Single Transaction

It is not anticipated that adoption of the standards and interpretations listed above will have a material impact on the current financial position and performance of the company.

4 Employees

The average monthly number of persons (including directors) employed by the group during the period was:

31 December 2022 Number	17 August 2022 Number
20	10

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

5 Intangible assets

	Goodwill £
Group Cost	
At 17 August 2022	799,267
At 31 December 2022	799,267
Carrying amount	
At 31 December 2022	799,267
At 17 August 2022	799,267

6 Property, plant and equipment

	Computers £	Motor vehicles £	Total £
Group and company Cost			
At 17 August 2022	13,476	-	13,476
Additions	17,635	18,429	36,064
At 31 December 2022	31,111	18,429	49,540
Accumulated depreciation and impairment			
At 17 August 2022	3,105	-	3,105
Charge for the period	2,114	-	2,114
At 31 December 2022	5,219	-	5,219
Carrying amount			
At 31 December 2022	25,892	18,429	44,321
At 17 August 2022	10,371	-	10,371

Property, plant and equipment includes right-of-use assets, as follows:

	31 December 2022 £	17 August 2022 £
Right-of-use assets		
Net values		
Motor vehicles	18,429	-

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

7 Investments

	31 December 2022 £	17 August 2022 £
Investments in subsidiaries	83,599	83,590
	<u>83,599</u>	<u>83,590</u>

Investment in subsidiary undertakings

Details of the company's principal operating subsidiaries are included in note 8.

8 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

8 Subsidiaries

(Continued)

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
*Bridge Lake Biogas Ltd	England and Wales	Ordinary	100.00	-
*Farlington Biogas Ltd	England and Wales	Ordinary	100.00	-
*Gillman Biogas Ltd	England and Wales	Ordinary	100.00	-
*Bawden Energy Ltd	England and Wales	Ordinary	100.00	-
*Larsen C Energy Ltd	England and Wales	Ordinary	100.00	-
*Gipps Energy Ltd	England and Wales	Ordinary	100.00	-
*Havant Biogas Ltd	England and Wales	Ordinary	100.00	-
*Nelson Biogas Ltd	England and Wales	Ordinary	100.00	-
*Purbrook Biogas Ltd	England and Wales	Ordinary	100.00	-
*Thorney Biogas Ltd	England and Wales	Ordinary	100.00	-
Spring Grove Green Power Limited	England and Wales	Ordinary	100.00	-
East Witney Green Power Limited	England and Wales	Ordinary	100.00	-
Snakes Meadow Green Power Limited	England and Wales	Ordinary	100.00	-
Astwick Green Power Limited	England and Wales	Ordinary	100.00	-
Hardwick Green Energy Limited	England and Wales	Ordinary	100.00	-
Horse Close Green Power Limited	England and Wales	Ordinary	100.00	-
Camp Farm Green Energy Limited	England and Wales	Ordinary	100.00	-
Cowdown Green Energy Limited	England and Wales	Ordinary	100.00	-
Bradfield Grove Green Energy Limited	England and Wales	Ordinary	100.00	-
Three Maids Green Energy Limited	England and Wales	Ordinary	100.00	-
Hornage Green Energy Limited	England and Wales	Ordinary	100.00	-
Manachainn Rois Green Energy Limited	England and Wales	Ordinary	100.00	-
Ashton Keynes Green Energy Limited	England and Wales	Ordinary	100.00	-
Longmorn Green Energy Limited	England and Wales	Ordinary	100.00	-
Hill of Rathven Green Energy Limited	England and Wales	Ordinary	100.00	-
Abronia Energy Limited	England and Wales	Ordinary	-	100.00
Andros Energy Limited	England and Wales	Ordinary	-	100.00
Canto Energy Limited	England and Wales	Ordinary	-	100.00
Celestus Energy	England and Wales	Ordinary	-	100.00
Comoro Energy Limited	England and Wales	Ordinary	-	100.00
Matuda Energy Limited	England and Wales	Ordinary	-	100.00
Mona Energy Limited	England and Wales	Ordinary	-	100.00
Round Island Energy Limited	England and Wales	Ordinary	-	100.00
Wattle Energy Limited	England and Wales	Ordinary	-	100.00
Jolo Energy Limited	England and Wales	Ordinary	-	100.00
Azores Energy Limited	England and Wales	Ordinary	-	100.00
Finfoot Energy Limited	England and Wales	Ordinary	-	100.00
Flores Energy Limited	England and Wales	Ordinary	-	100.00
Florican Energy Limited	England and Wales	Ordinary	-	100.00
Javan Energy Limited	England and Wales	Ordinary	-	100.00
Jerdon Energy Limited	England and Wales	Ordinary	-	100.00
Junin Energy Limited	England and Wales	Ordinary	-	100.00
Kagu Energy Limited	England and Wales	Ordinary	-	100.00
Maleo Energy Limited	England and Wales	Ordinary	-	100.00
Nahan Energy Limited	England and Wales	Ordinary	-	100.00
Chopard Energy Limited	England and Wales	Ordinary	-	100.00
Epirose Energy Limited	England and Wales	Ordinary	-	100.00
Gomera Energy Limited	England and Wales	Ordinary	-	100.00
Jagos Energy Limited	England and Wales	Ordinary	-	100.00

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

8 Subsidiaries

(Continued)

Karpathos Energy Limited	England and Wales	Ordinary	- 100.00
Laricis Energy Limited	England and Wales	Ordinary	- 100.00
Lompoc Energy Limited	England and Wales	Ordinary	- 100.00
Luzon Energy Limited	England and Wales	Ordinary	- 100.00
Pindos Energy Limited	England and Wales	Ordinary	- 100.00
Zareus Energy Limited	England and Wales	Ordinary	- 100.00

Registered office addresses (all UK unless otherwise indicated):

5 Fleet Place, London, EC4M 7RD

Shares in the following companies are held indirectly through investment in Bawden Energy Limited:

- Abronia Energy Limited
- Andros Energy Limited
- Cantor Energy Limited
- Celestus Energy Limited
- Comoro Energy Limited
- Jolo Energy Limited
- Matuda Energy Limited
- Mona Energy Limited
- Round Island Energy Limited
- Wattle Energy Limited

Shares in the following companies are held indirectly through investment in Larsen C Energy Limited:

- Azores Energy Limited
- Finfoot Energy Limited
- Flores Energy Limited
- Florican Energy Limited
- Javan Energy Limited
- Jerdon Energy Limited
- Junin Energy Limited
- Kagu Energy Limited
- Maleo Energy Limited
- Nahan Energy Limited

Shares in the following companies are held indirectly through investment in Gipps Energy Limited:

- Chopard Energy Limited
- Epirose Energy Limited
- Gomera Energy Limited
- Jagos Energy Limited
- Karpathos Energy Limited
- Laricis Energy Limited
- Lompoc Energy Limited
- Luzon Energy Limited
- Pindos Energy Limited
- Zareus Energy Limited

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

8 Subsidiaries

(Continued)

*These subsidiaries took advantage of the exemption from audit under section 479A of the Companies Act 2006.

The remaining subsidiaries took advantage of the exemption from audit under section 480 of the Companies Act 2006.

The principal activity of the subsidiaries is that of the parent company.

9 Inventories

	31 December 2022	17 August 2022
Group	£	£
Finished goods	100,000	100,000

10 Trade and other receivables

	31 December 2022	17 August 2022
Group	£	£
Trade receivables	589,384	589,384
Provision for bad and doubtful debts	(491,153)	(589,384)
	98,231	-
VAT recoverable	459,179	680,063
Other receivables	5,022,918	2,317,141
	5,580,328	2,997,204

11 Trade and other receivables

	31 December 2022	17 August 2022
Company	£	£
VAT recoverable	452,379	673,263
Amounts owed by subsidiary undertakings	446,379	445,419
Other receivables	5,022,918	2,317,141
	5,921,676	3,435,823

12 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

13 Market risk

Market risk management

Market risk is the risk that changes in market prices will affect the company's income. The objective is to manage and control such risks, while also ensuring a reasonable return on risk. The group has minimised its exposure to market risk via its supply contracts.

As the group operates within the UK, it has not been significantly impacted by Brexit and the impact of foreign exchange rates and duty changes on the price of goods used within the business.

14 Trade and other payables

	31 December 2022	17 August 2022
Group	£	£
Trade payables	466,632	327,137
Amount owed to parent undertaking	2,040,000	-
Amounts owed to related parties	372,567	5,522,372
Accruals	652,949	312,952
Social security and other taxation	48,135	27,538
Other payables	101,875	1,200
	<u>3,682,158</u>	<u>6,191,199</u>

15 Trade and other payables

	31 December 2022	17 August 2022
Company	£	£
Trade payables	331,727	192,232
Amount owed to parent undertaking	2,040,000	-
Amounts owed to related parties	372,567	5,522,372
Accruals	606,231	290,099
Social security and other taxation	48,135	27,538
Other payables	9,540	6
	<u>3,408,200</u>	<u>6,032,247</u>

16 Lease liabilities

Group and company	31 December 2022	17 August 2022
Maturity analysis	£	£
Within one year	7,588	-
In two to five years	12,014	-
Total undiscounted liabilities	<u>19,602</u>	<u>-</u>

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

16 Lease liabilities

(Continued)

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	31 December 2022 £	17 August 2022 £
Current liabilities	7,417	-
Non-current liabilities	11,012	-
	<u>18,429</u>	<u>-</u>

17 Provisions for liabilities

	31 December 2022 £	17 August 2022 £
Group and company	1,567,242	1,567,242

All provisions are expected to be settled within 12 months from the reporting date.

Movements on provisions:

	£
At 18 August 2022 and 31 December 2022	<u>1,567,242</u>

18 Retirement benefit schemes

Defined contribution schemes

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

19 Share capital

	31 December 2022	17 August 2022	31 December 2022	17 August 2022
	Number	Number	£	£
Ordinary share capital				
<i>Issued and fully paid</i>				
Ordinary shares of 1p each	-	100	-	1
Ordinary shares of 0.0008p each	228,741	-	2	-
	<u>228,741</u>	<u>100</u>	<u>2</u>	<u>1</u>

Reconciliation of movements during the period:

	Number
At 18 August 2022	100
Sub-division of shares	124,900
Allotment of share capital	103,741
At 31 December 2022	<u>228,741</u>

On 18th August 2022 the company sub-divided 100 Ordinary shares of 1p each into 125,000 Ordinary shares of 0.0008p each.

A further 103,741 Ordinary shares were issued on this date for total consideration of £6,608,345.

Post year end, on 26 April 2023, a further 61,275 Ordinary shares with a nominal value of 0.0008p have been issued, taking the total share capital to 290,016 Ordinary shares.

All shares have attached to them full voting rights, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

Share premium

The share premium reserve contains the premium arising on the issue of equity shares, net of issue expenses.

Retained earnings - Group

The retained earnings reserve represents the company's and the subsidiaries' relevant proportion of cumulative profits and losses, net of the parent company's dividends paid and other adjustments.

Retained earnings - Parent company

The retained earnings reserve represents the company's cumulative profits and losses, net of dividends paid and other adjustments.

ACORN BIOENERGY LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

20 Share premium account

	31 December 2022 £	17 August 2022 £
At the beginning of the period	-	-
Issue of new shares	6,608,345	-
At the end of the period	6,608,345	-

21 Capital risk management

The group is not subject to any externally imposed capital requirements.

22 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Lawrence BSc (Hons) FCA and the auditor was Azets Audit Services Limited.

23 Related party transactions

Transactions and balances between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

The following amounts were outstanding at the reporting end date:

	31 December 2022 £	17 August 2022 £
Amounts due to related parties		
Parent company	2,040,000	-
Former parent company	360,000	-
Entities formerly with joint control or significant influence over the company	-	5,509,805
	2,040,000	5,509,805

24 Controlling party

The parent company at the date of these financial statements is QE Acorn Bidco Limited and its registered office is 58 Marylebone High Street, London, W1U 5HT.

The ultimate parent company at the date of these financial statements is Q-Energy V UK Holco Limited and its registered office is 58 Marylebone High Street, London, United Kingdom, W1U 5HT.