

Company Registration No. 11942418

Central Plains Group Limited

**Annual report and audited financial statements for the
year ended 31 December 2021**

Pages for filing with the Registrar



Central Plains Group Limited

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Registered office:	Level 13 Broadgate Tower 20 Primrose Street London EC2A 2EW
Registered number	11942418
Directors:	Dr K.P. Dawson (appointed 25/11/19) O. Drin (appointed 06/02/20) R.G. Janaway (appointed 25/11/19) D. Johnston (appointed 25/11/19) M.C. Laird (appointed 07/06/19) A. Stewart (appointed 07/06/19) D.A. Armstrong (appointed 07/06/19, resigned 07/06/19) P.T. Barron (appointed 12/04/19, resigned 07/06/19)
Principal Bankers:	Hampden & Co 9 Charlotte Square, Edinburgh EH2 4DF
Independent auditors:	Saffery Champness Chartered Accountants Kintail House Beechwood Park Inverness IV23BW

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**Statement of financial position
For the year ended 31 December 2020**

	Notes	2020 £	2019 £
Fixed Assets			
Investment in subsidiaries	4	15,168	15,168
		<u>15,168</u>	<u>15,168</u>
Current Assets			
Receivables: Amounts falling due within one year	5	3,826,198	111,080
Cash & Cash Equivalents		945,838	121,000
		<u>4,772,036</u>	<u>232,080</u>
Creditors: Amounts falling due within one year			
Trade & Other Payables	6	(83,217)	(6,682)
Borrowings	7	(6,670)	-
Shareholders' Loans	7	(372,156)	-
		<u>(462,043)</u>	<u>(6,682)</u>
Net Current Assets		<u>4,309,993</u>	<u>225,398</u>
Total Assets less Current Liabilities		<u>4,325,161</u>	<u>240,566</u>
Creditors: Amounts falling due after more than one year			
Borrowings	7	(43,330)	-
Shareholders' Loans	7	(103,507)	-
		<u>(146,837)</u>	<u>-</u>
Net Assets		<u>4,178,324</u>	<u>240,566</u>
Capital and Reserves	8		
Share Capital		1,224,859	250,000
Share Premium		3,394,241	-
Retained Earnings		(440,776)	(9,434)
Equity attributable to owners of the parent entity		<u>4,178,324</u>	<u>240,566</u>

As permitted by Section 444 of the Companies Act 2006, the directors have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable 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 2021 and are signed on its behalf by:



Alastair Stewart
Director

Company Registration No. 11942418

Central Plains Group Limited

Statement of changes in equity

For the 12 month period ended 31 December 2020

	Share Capital £	Share Premium £	Retained Earnings £	Total £
Balance at April 12, 2019	-	-	-	-
Result for the year	-	-	(9,434)	(9,434)
Total comprehensive expense	-	-	(9,434)	(9,434)
 Issued shares	 250,000	 -	 -	 250,000
Balance at December 31, 2019	250,000	-	(9,434)	240,566
Result for the year	-	-	(431,342)	(431,342)
Total comprehensive expense	-	-	(431,342)	(431,342)
 Issued shares	 974,859	 3,394,241	 -	 4,369,100
Balance at December 31, 2020	1,224,859	3,394,241	(440,776)	4,178,324

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Notes to the financial statements

For the 12 month period ended 31 December 2020

1 CORPORATE INFORMATION

Central Plains Group Limited ("the company") is a private company limited by shares and is incorporated in England. The address of its registered office is at Level 13, Broadgate Tower, 20 Primrose Street, EC2A 2EW.

The Company's main activity is to operate as a holding for subsidiaries engaged in the cultivation, distribution and processing of arable crops, in the Lviv region, Western Ukraine.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

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

Going concern

The company meets its day to day working capital requirements through its bank and shareholders' facilities. The company has received significant funding from its shareholders during the year to be able to meet its capital expenditure and operational budgeted operations for the next 12 months from the approval date of these financial statements. After making inquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Presentation and functional currency

These financial statements are presented in the pounds sterling ("£") which is the company's functional and presentation currency.

Interest income

Interest income is recognised using the effective interest rate method.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as of the date of the initial transactions.

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 the profit and loss accounts. All foreign exchange gains/losses are presented in the profit and loss account within 'other operating (losses)/gains'.

Exchange differences arising on a monetary item that forms part of the company's net investment in a foreign operation is recognised in profit and loss in the separate financial statements of the company or the individual financial statements of the foreign operation, as appropriate.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in subsidiaries

Investments in subsidiaries are included in the balance sheet of the company at cost less provisions for any impairment. At each reporting date the investment is assessed for any indication of impairment. If any such indication exists, the recoverable amount of the investment is estimated. Where the recoverable amount of the investment is less than the carrying amount, the impairment loss is recognised immediately in the income statement.

Impairment of non-financial assets

At each reporting date, the company reviews the carrying amounts of its property, plant and equipment 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 the asset does not generate cash flows that are independent from other assets, the company 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. Value in use is defined as the present value of the future cash flows, before tax and interest, as a result of the asset's (or asset's cash generating unit's) continued use. These cash flows are discounted to their present value using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, 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 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 in prior years.

Cash and cash equivalents

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

Trade payables and accruals

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial period which are unpaid. The amounts are unsecured. Trade and notes payable are presented as current liabilities unless payments is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Share capital/equity instruments

Ordinary shares are classified as equity. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

(i). Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii). Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from related parties, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

The company does not use derivatives in its operations.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3 EMPLOYEES AND DIRECTORS

The company had no employees during 2019 or 2020.

Central Plains Group Limited

Notes to the financial statements

For the 12 month period ended 31 December 2020

4 INVESTMENT IN SUBSIDIARIES

	2020	2019
	£	£
Cost and carrying amount:		
At 1 January 2020	15,168	-
Additions	-	15,168
At 31 December 2020	<u>15,168</u>	<u>15,168</u>

Following is the list of the subsidiaries of Central Plains Group Limited as at 31 December 2020:

Name of the entity	Principal activity	Country of incorporation	2020 % shares company	2019 % shares company
CPG operations Limited	Holding co.	England	100	-
LLC Central Plains Group Ukraine	Farming	Ukraine	100	100

5 RECEIVABLES

Amounts falling within due within one year

	2020	2019
	£	£
At December 31		
Trade receivables	-	-
Prepayment and accrued income	41,906	-
Tax receivable	22,620	-
Other receivables	146,592	111,080
Subsidiary loans	<u>3,615,080</u>	<u>-</u>
	<u>3,826,198</u>	<u>111,080</u>

Included in the company's other receivable balance is a loan of £3,418,000 denominated in US Dollars issued to LLC Central Plains Group Ukraine. The loan is unsecured, carries an annual interest charge of 10% and is repayable by 31 December 2021. The interest balance due as at 31 December 2020 is £195,766.

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Notes to the financial statements

For the 12 month period ended 31 December 2020

6 CREDITORS: TRADE AND OTHER PAYABLES

(i) *Amount falling within one year*

	2020	2019
	£	£
At December 31		
Trade payables	(68,598)	-
Accrued expenses	(14,619)	(6,682)
	<u>(83,217)</u>	<u>(6,682)</u>

7 BORROWINGS AND OTHER LIABILITIES

(i) *Amount falling within one year*

	2020	2019
	£	£
At December 31		
Bank borrowings -loans	(6,670)	-
Shareholders' loans	(372,156)	-
	<u>(378,826)</u>	<u>-</u>

(ii) *Amount falling after more than one year*

	2020	2019
	£	£
At December 31		
Bank borrowings -loans	(43,330)	-
Shareholders' loans	(103,507)	-
	<u>(146,837)</u>	<u>-</u>

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Notes to the financial statements

For the 12 month period ended 31 December 2020

7 BORROWINGS AND OTHER LIABILITIES (continued)

Bank borrowings information (security, interest, term)

Bank borrowings include a UK government backed bank loan of £50,000, repayable within 5 years and carrying an interest charge of 2.5%. Interest in the first year is paid by the UK government and not charged to the company.

Bank and government backed borrowings are repayable as follows:

	2020
At December 31	£
Within 1 year	(6,670)
Between 2 and 5 years	(40,000)
In more than 5 years	(3,330)
	<u>(50,000)</u>

Shareholders' loans

The maturity of these loans is provided below:

	2020	2019
At December 31	£	£
Within 1 year	(372,156)	-
Between 2 and 5 years	(103,507)	-
In more than 5 years	-	-
	<u>(475,663)</u>	-

All shareholder loans are unsecured and carry interest payable at the rate of 10% per annum.

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Notes to the financial statements

For the 12 month period ended 31 December 2020

8 SHARE CAPITAL AND RESERVES

Share Capital

	2020 £'000	2019 £'000
Issued		
12,248,588 shares of £0.1 each (2019: 2,500,000)	1,225	250
	<u>1,225</u>	<u>250</u>
Allotted and partly paid		
At 1 January	250	-
Issued in the year	975	250
At 31 December	<u>1,225</u>	<u>250</u>

Shares issued in the year carried a total net premium of £3,394,000. A total of 11,998,588 shares were issued in the year, of which a total consideration of £147,000 remained unpaid at the year end (2019: £50,000). All unpaid share capital was received post year end.

Share Premium

This reserve records the share consideration, above the nominal value received for shares sold, less transaction costs.

9 FINANCIAL COMMITMENTS

Corporate guarantees were provided by the company in relation to a loan facility with Credit Agricole of UAH 28.5 million was also partially drawn by one of its subsidiary during the year and is repayable by 31 December 2021. This loan carries an annual interest rate of 12%.

10 RELATED PARTY TRANSACTIONS

In the normal course of business, the company undertakes arms-length transactions with related parties. FRS 102 Section 1A does not require disclosure of these arms-length transactions.

11 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 Eunice McAdam.

The Auditor was Saffery Champness LLP.

12 CONTROLLING PARTY

The company is owned by a number of private shareholders and companies, none of whom own more than 25% of the issued share capital of the company. Accordingly there is no parent entity nor ultimate controlling party.

13 EVENTS AFTER THE REPORTING PERIOD

Since 31 December 2020 the Company has raised further approximately £4.7m of equity financing and invested in the expansion of the operations, in particular the acquisition of a production base for the potato starch manufacturing operations through the acquisition of a new subsidiary company Strong Energy Zakhid LLC on 18 February 2021. There have been no subsequent events which materially impact the carrying values of any assets or liabilities as recorded in the Company Statement of Financial Position at that date.