Company No: SC422702 (Scotland)

ECOCEL RENEWABLES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021
PAGES FOR FILING WITH THE REGISTRAR

Contents

ECOCEL RENEWABLES LIMITED
BALANCE SHEET
AS AT 30 APRIL 2021

	Note	2021	2020
		£	£
Fixed assets			
Intangible assets	3	0	5,000
Tangible assets	4	0	5,874
Investment property	5	0	101,148
Investments	6	1	1
		1	**112,023**
Current assets			
Debtors	7	838,412	762,331
Cash at bank and in hand		18,856	10,145
		857,268	**772,476**
Creditors			
Amounts falling due within one year	8	(1,408,054)	(1,320,045)
Net current liabilities		**(550,786)**	**(547,569)**
Total assets less current liabilities		**(550,785)**	**(435,546)**
Creditors			
Amounts falling due after more than one year	9	(50,000)	(185,731)
Net liabilities		**(600,785)**	**(621,277)**
Capital and reserves			
Called-up share capital	10	100	100
Profit and loss account		(600,885)	(621,377)
Total shareholder's deficit		**(600,785)**	**(621,277)**

For the financial year ending 30 April 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The member has not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- The director acknowledges their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Ecocel Renewables Limited (registered number: SC422702) were approved and authorised for issue by the Director on 31 May 2022. They were signed on its behalf by:

Neil Wilson
Director

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

Ecocel Renewables Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the Company's registered office is 44 Milton Road, EAST KILBRIDE,G74 5BU, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

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

Going concern

The director has assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The director notes that the business has net liabilities of £600,785. The Company is supported through loans from a Connected Company. The director has received assurances that the loan facilities will continue to be available for at least 12 months from the date of signing these financial statements and the Connected Company will continue to support the Company. After making enquiries, the director believes that any foreseeable debts can be met for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover is recognised when the significant risks and rewards are considered to have been transferred to the customer.

Employee benefits

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

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

Taxation

Current tax
Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax
Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Intangible assets

Intangible assets are stated at cost or valuation, net of amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates to write off the cost or valuation of each asset over its expected useful life as follows:

Goodwill	20 years straight line

Goodwill

Goodwill arises on business combination and represents any excess of consideration given over the fair value of the identifiable assets and liabilities acquired. Goodwill is initially recognised as an intangible asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis over its useful economic life, which is 20 years.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Vehicles	25 % reducing balance
Fixtures and fittings	3 years straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

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 credited or charged to profit or loss.

Leases

The Company as lessee
Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the Profit and Loss Account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

The Company as lessor
Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account as described below.

Non-financial assets
At each balance sheet date, the company reviews 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). The recoverable amount of an asset is the higher of its fair value less costs to sell and its 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. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. 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.

Investment property

Investment property is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at each reporting date with changes in fair value recognised in profit or loss. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

Fixed asset 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 company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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 creditors: amounts falling due within one year.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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 Company after deducting all of its liabilities.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2. Employees

	2021	2020
	Number	Number
Monthly average number of persons employed by the Company during the year, including the director	1	1

3. Intangible assets

	Goodwill	Total
	£	£
Cost		
At 01 May 2020	85,000	85,000
At 30 April 2021	**85,000**	**85,000**
Accumulated amortisation		
At 01 May 2020	80,000	80,000
Charge for the financial year	5,000	5,000
At 30 April 2021	**85,000**	**85,000**
Net book value		
At 30 April 2021	**0**	**0**
At 30 April 2020	5,000	5,000

4. Tangible assets

	Vehicles	Fixtures and fittings	Total
	£	£	£
Cost			
At 01 May 2020	16,781	8,901	25,682
Disposals	(16,781)	(8,901)	(25,682)
At 30 April 2021	**0**	**0**	**0**
Accumulated depreciation			
At 01 May 2020	11,370	8,438	19,808
Charge for the financial year	1,353	231	1,584
Disposals	(12,723)	(8,669)	(21,392)
At 30 April 2021	**0**	**0**	**0**
Net book value			
At 30 April 2021	**0**	**0**	**0**
At 30 April 2020	5,411	463	5,874

5. Investment property

	Investment property
	£
Valuation	
As at 01 May 2020	**101,148**
Disposals	(101,148)
As at 30 April 2021	**0**

6. Fixed asset investments

Investments in subsidiaries

	2021
	£
Cost	
At 01 May 2020	1
At 30 April 2021	**1**
Carrying value at 30 April 2021	**1**
Carrying value at 30 April 2020	1

Investments in shares

Name of entity	Registered office	Nature of business	Class of shares	Ownership 30.04.2021	Ownership 30.04.2020
Ecocel Energy Limited	Scotland	Servicing of wind turbines	Ordinary	100.00%	100.00%

7. Debtors

	2021	2020
	£	**£**
Amounts owed by own subsidiaries	744,504	506,924
Corporation tax	23,034	135,633
Other debtors	70,874	119,774
	838,412	**762,331**

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans	0	2,650
Trade creditors	6,093	261,682
Amounts owed to related parties	447,784	233,346
Other creditors	394,616	362,419
Corporation tax	9,354	0
Other taxation and social security	550,207	459,948
	1,408,054	**1,320,045**

The short-term loans are secured by fixed charges over the assets which they relate.

9. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans	50,000	32,350
Other creditors	0	153,381
	50,000	**185,731**

The long-term loans are secured by fixed charges over the assets which they relate.

10. Called-up share capital

	2021	2020
	£	£
Allotted, called-up and fully-paid		
100 Ordinary shares of £ 1.00 each	100	100

11. Related party transactions

Transactions with entities in which the entity itself has a participating interest

	2021	2020
	£	£
Amounts due from subsidiary company	744,504	506,924

Transactions with the entity's director

	2021	2020
	£	£
Amounts due from key management personnel	70,874	70,874

No interest is being charged, nor have any repayment terms been agreed, on amounts owed by the director which were advanced during the year.

Other related party transactions

	2021	2020
	£	£
Amounts due to other related parties	(447,784)	(233,345)