

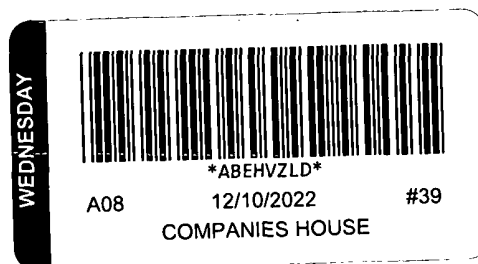
COMPANY REGISTRATION NUMBER 09962999

WHITES GENERATION LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31 JANUARY 2022



WHITES GENERATION LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

J A W Astor
R P Priestley
D Gudgin
A E Chirkowski

Registered office

The Mine Site
Mill Lane
South Witham
Grantham
Lincolnshire
NG33 5QN

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants
and Statutory Auditors
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

Bankers

HSBC Bank Plc
South Midlands Corporate and Business Banking Centre
Quadra
500 Pavilion Drive
Northampton Business Park
NN4 7YJ

WHITES GENERATION LIMITED

STRATEGIC REPORT

YEAR ENDED 31 JANUARY 2022

The directors present their strategic report for the year ended 31 January 2022. We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties we face.

BUSINESS REVIEW

Group

The group financial statements include the results of Fernbrook Bio Limited, up until 16 December 2021, at which point Fernbrook Bio Limited was sold to Generate AD I Limited.

The group has reported turnover of £1,804,832 (2021: £2,151,269), an operating loss of £500,544 (2021: £536,209) and a loss for the financial year of £127,386 (2021: £889,054).

The group balance sheet shows a net liabilities value of £2,350,745 (2021: £2,223,359). Notwithstanding the net liability position, the group continues to have the support of its shareholders and bankers.

A brief review of the performance of the individual companies has been summarised below:

Fernbrook Bio Limited

The company's core activities are the operation, development and management of anaerobic digestion facilities.

Turnover for the period to 16 December 2021 was £1,804,832 (year ended 31 January 2021: £2,151,269). The gross profit margin has decreased by 4.1% to 45.1% (year ended 31 January 2021: 49.2%) and the directors report a gross profit for the period of £814,436 (year ended 31 January 2021: £1,057,685). The company incurred a loss before taxation in the period of £93,368 (year ended 31 January 2021: £621,874).

Whites Generation Limited

The company provides management services to its subsidiary undertaking. During the year it received management charges of £30,012 (2021: £33,426) and a dividend of £nil (2021: £nil) from Fernbrook Bio Limited.

The company incurred a loss before tax of £2,901,287 (2021: £99,590).

The company will remain in operational existence following the sale of Fernbrook Bio Limited as the directors assess the strategic plan.

WHITES GENERATION LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 JANUARY 2022

KEY PERFORMANCE INDICATORS (KPIs)

Given the straightforward nature of the business the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. Key financial measures of turnover, gross profit and loss on ordinary activities before taxation are shown in the group profit and loss account on page 10.

RISK MANAGEMENT POLICIES

The group faces a number of risks and the directors continue to mitigate these as far as possible. A summary of the key risks are as follows:

Credit risk

The group seeks to manage its credit risk by dealing with established customers or otherwise checking the credit-worthiness of new customers, establishing clear contractual relationships with those customers and by identifying and addressing any credit issues arising in a timely manner.

Interest rate risk

The group's exposure to market risk for the changes in interest rates relates primarily to its bank loan, loan notes and hire purchase borrowings. The group seeks to manage this risk by the use of a combination of variable and fixed rates.

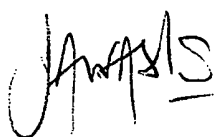
Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

IMPACT OF COVID-19

The group has introduced a range of measures to mitigate the risk of infection or contagion at Fernbrook Bio Limited's site of operation.

Signed on behalf of the directors



J A W ASTOR

Director

Approved by the directors on 10 October 2022

WHITES GENERATION LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 JANUARY 2022

The directors present their report and the audited financial statements of the group and company for the year ended 31 January 2022.

RESULTS AND DIVIDENDS

The loss for the financial year amounted to £127,386 (2021: £889,054). The directors have not recommended a dividend.

DIRECTORS

The directors who held office during the year and to the date of signing the financial statements, except where stated are as follows:

J A W Astor

A C M Parr (resigned 17 February 2021)

R P Priestley (appointed 17 February 2021)

D Gudgin

A E Chirkowski

SUBSEQUENT EVENTS

On 16 June 2022, the company received £225,000 of the deferred consideration due on the sale of Fernbrook Bio Limited. This was used to settle £225,000 of the short-term loans due to Regen Holdings Limited and ACP Ordinary Shareco Limited.

On 10 October 2022, the company signed an agreement with Regen Holdings Limited and ACP Ordinary Shareco Limited to release the outstanding loan stock of £981,626, accrued interest on the loan stock of £1,328,858 and £100,000 of short-term loans in consideration of the allotment and issue of 2,410,484 fully paid ordinary shares of £1 each.

FUTURE DEVELOPMENTS

The directors continue to look to improve financial performance, and to ensure full compliance with all regulatory requirements.

GOING CONCERN

Subsequent to the year-end date, as detailed in the subsequent events paragraph above, most of liabilities due to Regen Holdings Limited and ACP Ordinary Shareco Limited have been converted into ordinary share capital. As a result of this, the company has moved from a net liability position to a net asset position. The directors have prepared a financial forecast that indicates that the company has adequate resources to remain in operation for the foreseeable future, being a period of at least 12 months from the date of approval of these financial statements.

FINANCIAL RISK MANAGEMENT

Financial risk management is discussed in the Strategic Report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

WHITES GENERATION LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JANUARY 2022

DIRECTORS' RESPONSIBILITIES STATEMENT *(continued)*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the company and group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

DIRECTORS' CONFIRMATIONS

In the case of each director in office at the date the Directors' Report is approved:

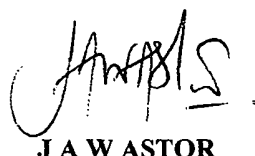
- so far as the director is aware, there is no relevant audit information of which the group and parent company's auditors are unaware, and
- they have taken all of the steps that they ought to have taken as a director in order to make themselves aware of any relevant information and to establish that the group and parent company's auditors are aware of that information.

STRATEGIC REPORT

The company has chosen in accordance with section 414C (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

Registered office:
The Mine Site
Mill Lane
South Witham
Grantham
Lincolnshire
NG33 5QN

Signed on behalf of the directors



J A W ASTOR

Director

Approved by the directors on 10 October 2022

WHITES GENERATION LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WHITES GENERATION LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Whites Generation Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 January 2022 and of the group's loss and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Group and Company Balance Sheets as at 31 January 2022; the Group Profit and Loss Account, Group Cash Flow Statement and Group and Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

WHITES GENERATION LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WHITES GENERATION LIMITED *(continued)*

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 January 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

WHITES GENERATION LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WHITES GENERATION LIMITED *(continued)*

Responsibilities for the financial statements and the audit (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the requirements of the Environment Agency and the Office of Gas and Electricity Markets, health and safety legislation and employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and UK taxation legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of non-standard journals to the income statement, including to revenue or manipulating accounting estimates which could be subject to management bias. Audit procedures performed by the engagement team included:

- making enquiries of management;
- reviewing legal expense accounts and board minutes;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations;
- auditing the risk of management override of controls, including the testing of non-standard journal entries and performing unpredictable procedures; and
- testing of accounting estimates which could be subject to management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

WHITES GENERATION LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WHITES GENERATION LIMITED *(continued)*

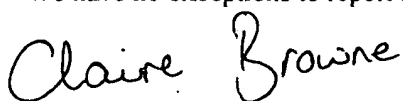
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Claire Browne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
10 October 2022

WHITES GENERATION LIMITED
GROUP PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 JANUARY 2022

		2022	2022	2022	2021	2021	2021
		Discontinuing	Continuing	Total	Discontinuing	Continuing	Total
	Note	operations	operations		operations	operations	
		£	£	£	£	£	£
TURNOVER	4	1,804,832	-	1,804,832	2,151,269	-	2,151,269
Cost of sales		<u>(990,396)</u>	<u>-</u>	<u>(990,396)</u>	<u>(1,093,584)</u>	<u>-</u>	<u>(1,093,584)</u>
GROSS PROFIT		814,436	-	814,436	1,057,685	-	1,057,685
Administrative expenses		<u>(1,272,594)</u>	<u>(42,386)</u>	<u>(1,314,980)</u>	<u>(1,556,246)</u>	<u>(37,648)</u>	<u>(1,593,894)</u>
OPERATING LOSS	5	(458,158)	(42,386)	(500,544)	(498,561)	(37,648)	(536,209)
Income from participating interests	8	-	284,000	284,000	-	-	-
Interest receivable and similar income	9	-	-	-	-	83	83
Interest payable and similar expenses	9	<u>(44,431)</u>	<u>(284,145)</u>	<u>(328,576)</u>	<u>(50,698)</u>	<u>(290,846)</u>	<u>(341,544)</u>
Profit on disposal of operations	10	<u>448,668</u>	<u>-</u>	<u>448,668</u>	<u>-</u>	<u>-</u>	<u>-</u>
LOSS BEFORE TAXATION		(53,921)	(42,531)	(96,452)	(549,259)	(328,411)	(877,670)
Tax on loss	11	<u>-</u>	<u>(30,934)</u>	<u>(30,934)</u>	<u>-</u>	<u>(11,384)</u>	<u>(11,384)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(53,921)</u>	<u>(73,465)</u>	<u>(127,386)</u>	<u>(549,259)</u>	<u>(339,795)</u>	<u>(889,054)</u>

The above results relate to discontinued activities.

The group has no other comprehensive income / (expense) for the financial year other than those included above. Accordingly, no separate statement of comprehensive income / (expense) is presented.

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

The notes on pages 16 to 34 form part of these financial statements.

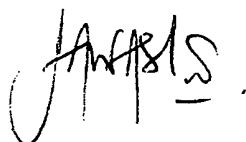
WHITES GENERATION LIMITED

GROUP BALANCE SHEET

AS AT 31 JANUARY 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Intangible assets	13	-	235,474
Tangible assets	14	-	4,140,780
			<u>4,376,254</u>
CURRENT ASSETS			
Inventories	16	-	31,807
Debtors (including £437,792 (2021: £nil) due after one year)	17	919,857	281,327
Cash at bank and in hand		52,231	313,658
		<u>972,088</u>	<u>626,792</u>
CREDITORS: Amounts falling due within one year	18	<u>(3,011,078)</u>	<u>(2,847,600)</u>
NET CURRENT LIABILITIES		<u>(2,038,990)</u>	<u>(2,220,808)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(2,038,990)</u>	<u>2,155,446</u>
CREDITORS: Amounts falling due after more than one year	19	(311,755)	(3,901,600)
PROVISIONS FOR LIABILITIES			
Deferred taxation	22	-	(477,205)
NET LIABILITIES		<u>(2,350,745)</u>	<u>(2,223,359)</u>
CAPITAL AND RESERVES			
Called-up share capital	25	784,800	784,800
Profit and loss account		(3,135,545)	(3,008,159)
TOTAL EQUITY DEFICIT		<u>(2,350,745)</u>	<u>(2,223,359)</u>

These financial statements on pages 10 to 34 were approved by the directors and authorised for issue on 10 October 2022, and are signed on their behalf by:


J A W ASTOR

The notes on pages 16 to 34 form part of these financial statements.

WHITES GENERATION LIMITED

COMPANY BALANCE SHEET

AS AT 31 JANUARY 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Investments	15	-	2,283,703
CURRENT ASSETS			
Debtors (including £437,792 (2021: £nil) due after one year)	17	919,857	2,801,201
Cash at bank		<u>52,231</u>	<u>107,384</u>
		972,088	2,908,585
CREDITORS: Amounts falling due within one year	18	<u>(3,011,078)</u>	<u>(1,965,682)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(2,038,990)</u>	<u>942,903</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(2,038,990)</u>	<u>3,226,606</u>
CREDITORS: Amounts falling due after more than one year	19	<u>(311,755)</u>	<u>(2,645,130)</u>
NET (LIABILITIES)/ASSETS		<u><u>(2,350,745)</u></u>	<u><u>581,476</u></u>
CAPITAL AND RESERVES			
Called-up share capital	25	784,800	784,800
Profit and loss account		<u>(3,135,545)</u>	<u>(203,324)</u>
At 1 February 2021 / 2020		(203,324)	(103,734)
Loss for the financial year		<u>(2,932,221)</u>	<u>(99,590)</u>
At 31 January 2022 / 2021		<u><u>(3,135,545)</u></u>	<u><u>(203,324)</u></u>
TOTAL EQUITY		<u><u>(2,350,745)</u></u>	<u><u>581,476</u></u>

These financial statements on pages 10 to 34 were approved by the directors and authorised for issue on 10 October 2022, and are signed on their behalf by:


J A W ASTOR

Company Registration Number: 09962999

The notes on pages 16 to 34 form part of these financial statements.

WHITES GENERATION LIMITED
GROUP STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 JANUARY 2022

	Called-up Share capital £	Profit and loss account £	Total equity £
Balance as at 1 February 2020	784,800	(2,119,105)	(1,334,305)
Loss for the financial year and total comprehensive expense	<u>-</u>	<u>(889,054)</u>	<u>(889,054)</u>
Balance as at 31 January 2021	784,800	(3,008,159)	(2,223,359)
Loss for the financial year and total comprehensive expense	<u>-</u>	<u>(127,386)</u>	<u>(127,386)</u>
Balance as at 31 January 2022	<u><u>784,800</u></u>	<u><u>(3,135,545)</u></u>	<u><u>(2,350,745)</u></u>

The notes on pages 16 to 34 form part of these financial statements.

WHITES GENERATION LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 JANUARY 2022

	Called-up Share capital	Profit and loss account	Total equity
	£	£	£
Balance as at 1 February 2020	784,800	(103,734)	681,066
Loss for the financial year and total comprehensive expense	-	(99,590)	(99,590)
	<hr/>	<hr/>	<hr/>
Balance as at 31 January 2021	784,800	(203,324)	581,476
Loss for the financial year and total comprehensive expense	-	(2,932,221)	(2,932,221)
	<hr/>	<hr/>	<hr/>
Balance as at 31 January 2022	<u>784,800</u>	<u>(3,135,545)</u>	<u>(2,350,745)</u>

The notes on pages 16 to 34 form part of these financial statements.

WHITES GENERATION LIMITED

GROUP CASH FLOW STATEMENT YEAR ENDED 31 JANUARY 2022

	Note	2022 £	2021 £
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	26	(218,939)	255,236
Taxation received		<u>-</u>	<u>11,223</u>
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		(218,939)	266,459
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible assets		(308,968)	(249,001)
Proceeds from disposal of tangible assets		1,950	-
Disposal of Fernbrook Bio Limited (net of cash disposed)		<u>1,840,311</u>	<u>-</u>
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES		1,533,293	(249,001)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of bank loans		(194,028)	(127,142)
Capital element of hire purchase agreements		(55,088)	(56,166)
Proceeds from issue of loans from related parties		600,000	400,000
Repayment of loan stock from related parties		(1,873,574)	-
Interest received		-	83
Interest paid		<u>(53,089)</u>	<u>(54,397)</u>
NET GENERATED (USED IN) / FROM FINANCING ACTIVITIES		<u>(1,575,781)</u>	<u>162,378</u>
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(261,427)	162,378
CASH & CASH EQUIVALENTS AT THE BEGINNING OF YEAR		<u>313,658</u>	<u>133,822</u>
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR		52,231	313,658
CASH & CASH EQUIVALENTS COMPRISE		<u> </u>	<u> </u>
Cash at bank and in hand	26	<u>52,231</u>	<u>313,658</u>

The notes on pages 16 to 34 form part of these financial statements.

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

1. GENERAL INFORMATION

Whites Generation Limited ('the company') sold Fernbrook Bio Limited, on 16 December 2021, to Generate AD I Limited. Up until the date of disposal, Fernbrook Bio Limited continued to derive the majority of its income through the operation, development and management of anaerobic digestion facilities.

The company is a private company limited by shares and incorporated in England and domiciled in the UK. The address of its registered office is The Mine Site, Mill Lane, South Witham, Grantham, Lincolnshire, NG33 5QN.

2. COMPLIANCE STATEMENT

The group and individual financial statements of the company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

Basis of accounting

These consolidated and separate financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The group and company's functional and presentation currency is the pound sterling.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group and the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in this note below.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

Subsequent to the year-end date, as detailed in note 27, most of liabilities due to Regen Holdings Limited and ACP Ordinary Shareco Limited have been converted into ordinary share capital. As a result of this, the company has moved from a net liability position to a net asset position. The directors have prepared a financial forecast that indicates that the company has adequate resources to remain in operation for the foreseeable future, being a period of at least 12 months from the date of approval of these financial statements. The financial statements have therefore been prepared on the going concern basis.

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

All intra group transactions, balances, income and expenses are eliminated on consolidation.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. Exemptions under FRS 102 paragraph 1.12 have been applied: in relation to a company cash flow statement, related party transactions, certain financial instrument disclosures and the non-disclosure of key management personnel compensation.

Turnover

Turnover comprises revenue from wholesale of electricity and government incentive tariff income (both recognised on delivery from the engines at agreed contractual rates) and waste input (recognised based on volume sourced under contracts). Turnover excludes value added tax. Turnover is recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the sale have been transferred to the customer.

Business combinations and goodwill

Business combinations are accounted for by applying the purchase method. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

Goodwill is amortised over its expected useful life. Where the Group is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding 10 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. Reversals of impairment are recognised when the reasons for the impairment no longer apply. Amortisation is charged to administrative expenses in the profit and loss account.

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible fixed assets

Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Subsequent costs, including major inspections and overhauls, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item flow to the company and the cost can be measured reliably. The carrying amount of the replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life. Repairs, maintenance and minor inspection costs are expensed as incurred.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% Straight Line
Plant & Machinery	- 10% to 33 1/3% Straight Line
Computer Equipment	- 20% Straight Line
Engine Overhauls	- Over the period to the next overhaul based on engine usage (Included in Plant & Machinery)

Where there is evidence of impairment, fixed assets are written down to recoverable amounts. Any such write down would be charged to operating profit.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives. The useful economic lives are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Inventories

Inventories are valued at the lower of cost and estimated selling price less costs to sell, after making due allowance for obsolete and slow moving items.

Leases and hire purchase contracts

Arrangements which transfer substantially all of the risks and rewards of the assets to the company are classified as finance leases. All other arrangements are classified as operating leases. Amounts payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period.

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.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. 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.

Investments in subsidiaries

Investments in subsidiaries are valued at cost less permanent diminution in value.

Share capital and distributions to equity holders

Ordinary shares are classified as equity. Dividends and other distributions to the company's shareholders is recognised as a liability in the financial statements in the period in which the dividend and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Financial instruments

The group and company have chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other debtors, amounts owed to group/related undertakings and 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 rates 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. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the assets expire or are settled, or (b) substantially all the risk and regards of the ownership of the asset are transferred to another party or (c) 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.

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, hire purchase obligations, deferred consideration and amounts due to group/related companies 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 receipts discounted at a market rate of interest.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors 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.

Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted 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 the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount.

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Employee benefits

The group and company provide a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

The group and company operate defined contribution plans for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the group and company have no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plans are held separately from the group and company in independently administered funds.

An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make additional, e.g. bonus payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

Critical accounts judgements and estimation uncertainty

The company makes estimates and assumptions in respect of assets and liabilities based on historical experience and other relevant factors. The resulting accounting estimates will, by definition, not always equal the related actual results.

There are no estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities.

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

4. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company and all turnover is in the United Kingdom.

5. OPERATING LOSS

Operating loss is stated after charging:

	2022 £	2021 £
Depreciation of owned tangible assets	350,667	560,046
Depreciation of assets held under hire purchase agreements	27,571	32,512
Amortisation of intangible assets (included in administrative expenses)	38,920	44,532
Loss on disposal of tangible assets	1,717	-
Operating lease rentals	60,308	36,040
Auditors' remuneration		
- for audit services *	18,663	21,500
- for other services	-	-

* The audit fee includes £18,663 (2021: £8,250) for the statutory audit of the parent company.

Operating lease rental charges relates to short term hire of plant and machinery. There are no material operating lease commitments (2021: £nil).

6. PARTICULARS OF EMPLOYEES

The monthly average number of staff employed by the company and group during the financial year amounted to:

	Group 2022 No	Company 2022 No	Group 2021 No	Company 2021 No
Number of operational staff	3	-	3	-
Number of administrative staff	2	-	1	-
Number of management staff	4	4	5	4
	<u>9</u>	<u>4</u>	<u>9</u>	<u>4</u>

The aggregate payroll costs of the above were:

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Wages and salaries	165,642	17,041	181,485	28,585
Social security costs	16,166	935	15,438	1,523
Other pension costs	3,781	252	3,207	108
	<u>185,589</u>	<u>18,228</u>	<u>200,130</u>	<u>30,216</u>

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

7. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2022	2021
	£	£
Aggregate emoluments (including benefits in kind)	<u>17,041</u>	<u>28,585</u>

Of the directors' emoluments reported above, £17,041 (2021: £28,585) plus a mark-up of £12,971 (2021: £4,841) were recharged to Fernbrook Bio Limited by way of a management charge.

8. INCOME FROM PARTICIPATING INTERESTS

	2022	2021
	£	£
Loan stock due to Regen Holdings Limited and Albion Community Power LP waived	<u>284,000</u>	-
	<u>284,000</u>	-

9. INTEREST

Interest receivable and similar income	2022	2021
	£	£
Other interest receivable	-	83
	-	83

Interest payable and similar expenses	2022	2021
	£	£
Interest payable on bank borrowing	34,783	42,000
Interest on hire purchase obligations	1,413	3,387
Interest payable on loan notes	271,938	287,148
Amortisation of debt issue costs	3,438	3,750
Other interest payable	17,004	5,259
	<u>328,576</u>	<u>341,544</u>

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

10. PROFIT ON DISPOSAL OF OPERATIONS

On 16 December 2021, Whites Generation Limited sold Fernbrook Bio Limited to Generate AD I Limited for a gross consideration of £4,500,000, resulting in a profit on disposal of subsidiary undertakings in the group profit and loss account:

	£	£
Cash consideration	3,600,000	
Deferred consideration (see note 17)	<u>900,000</u>	
Total consideration		4,500,000
Professional fees		(230,170)
Net assets at date of disposal		<u>(3,831,162)</u>
Profit on disposal of subsidiary undertaking		<u>448,668</u>

11. TAX ON LOSS

(a) Analysis of charge /(credit) in the year

	2022	2021
	£	£
In respect of the year:		
UK Corporation tax on the loss for the year	-	-
Adjustments in respect of prior periods	<u>30,934</u>	-
Total current tax	<u>30,934</u>	-
Deferred tax:		
Origination and reversal of timing differences	-	(43,219)
Differences in tax rates	-	54,603
Total deferred tax	<u>-</u>	<u>11,384</u>
Tax on loss	<u>30,934</u>	<u>11,384</u>

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

11. TAX ON LOSS *(continued)*

(b) Factors affecting current tax charge / (credit)

The tax assessed on the loss for the year is higher (2021: higher) than the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022 £	2021 £
Loss before taxation	<u>(96,452)</u>	<u>(877,670)</u>
Loss before tax multiplied by rate of tax	(18,325)	(166,757)
Expenditure not allowable for tax purposes	606,017	8,558
Income not subject to tax	(561,932)	-
Losses available for consortium relief not recognised	-	109,019
Use of tax losses brought forward	(29,640)	-
Other fixed asset related differences	3,880	60,564
Adjustments in respect of prior periods	<u>30,934</u>	<u>-</u>
Total tax charge	<u>30,934</u>	<u>11,384</u>

The Finance (No. 2) Act 2015 reduced the standard rate of corporation tax to 19%. The Finance Act 2021 included measures to increase the standard rate of UK corporation tax to 25% with effect from 1 April 2023, which was enacted in June 2021 and these rates are applicable to the measurements of deferred tax balances at 31 January 2022. On 23 September 2022 it was announced that the corporation tax rate change from 19% to 25% was to be cancelled. This was not substantively enacted at the balance sheet date and therefore the impact of this change is not reflected in the measurement of deferred tax, which has been measured at the rate it is expected to reverse.

12. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £2,932,221 (2021: £99,590).

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

13. INTANGIBLE ASSETS

Group	Goodwill £
COST	
At 1 Feb 2021	445,326
Disposal of Fernbrook Bio Limited	(445,326)
	<hr/>
At 31 Jan 2022	-
	<hr/>
ACCUMULATED AMORTISATION	
At 1 Feb 2021	209,852
Charge for the year	38,920
Disposal of Fernbrook Bio Limited	(248,772)
	<hr/>
At 31 Jan 2022	-
	<hr/>
NET BOOK AMOUNT	
At 31 Jan 2022	-
	<hr/>
At 31 Jan 2021	235,474
	<hr/>

Amortisation of intangible assets is included in administrative expenses.

On 16 May 2016, the company purchased the entire share capital of Fernbrook Bio Limited for a total consideration of £2,283,703.

Management have estimated the useful life of the goodwill to be 10 years.

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

14. TANGIBLE ASSETS

Group	Freehold property £	Plant & Machinery £	Computer equipment £	Total £
COST				
At 1 Feb 2021	3,148,094	3,349,962	41,930	6,539,986
Additions	-	308,968	-	308,968
Disposals	-	(5,000)	-	(5,000)
Disposal of Fernbrook Bio Limited	(3,148,094)	(3,653,930)	(41,930)	(6,843,954)
At 31 Jan 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
ACCUMULATED DEPRECIATION				
At 1 Feb 2021	316,516	2,063,390	19,300	2,399,206
Charge for the year	59,064	312,429	6,745	378,238
Disposals	-	(1,333)	-	(1,333)
Disposal of Fernbrook Bio Limited	(375,580)	(2,374,486)	(26,045)	(2,776,111)
At 31 Jan 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET BOOK AMOUNT				
At 31 Jan 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 Jan 2021	<u>2,831,578</u>	<u>1,286,572</u>	<u>22,630</u>	<u>4,140,780</u>

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

15. INVESTMENTS

Company	Group companies £
COST	
At 1 February 2021	2,283,703
Debt-for-equity swap	894,999
Disposal of Fernbrook Bio Limited	(3,178,702)
	<hr/>
At 31 January 2022	-
	<hr/>
NET BOOK VALUE	
At 31 January 2022	-
	<hr/>
At 31 January 2021	2,283,703
	<hr/>

On 16 December 2021, the company disposed of 100% of the issued share capital of Fernbrook Bio Limited (company number 06595831) to Generate UK AD I Limited (company number 13764901), which is incorporated and operates in England and has its registered office as 11th Floor, Whitefriars Lewins Mead, Bristol, BS1 2NT.

16. INVENTORIES

	Group 2022 £	Group 2021 £
Consumables	<hr/> - <hr/>	<hr/> 31,807 <hr/>

There is no significant difference between the replacement cost of consumables and their carrying amounts. Inventories are stated after provisions of £nil (2021: £nil).

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

17. DEBTORS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	-	56,123	-	-
Amounts owed by group undertakings	-	-	-	438,356
Amounts owed by related undertakings	5,319	30,062	5,319	5,319
Amounts owed by group undertakings – loan notes	-	-	-	1,626,616
Other debtors	914,538	21,018	914,538	56
Interest due in respect of loan notes	-	-	-	730,854
Prepayments and accrued income	-	174,124	-	-
	<u>919,857</u>	<u>281,327</u>	<u>919,857</u>	<u>2,801,201</u>

Trade debtors are stated after provisions for impairment of £nil (2021: £933).

Other debtors include £437,792 (2021: £nil) due after one year. This is in respect of discounted deferred consideration relating to the sale of Fernbrook Bio Limited. The total deferred consideration (before discounting) is £900,000, which is to be received as follows:

- £225,000 on 16 June 2022
- £225,000 on 16 December 2022
- £450,000 on 16 December 2023

18. CREDITORS: Amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	-	266,569	-	-
Trade creditors	848	213,523	848	-
Amounts owed to related undertakings	3,000,417	2,098,577	3,000,417	1,953,392
Hire purchase obligations	-	65,387	-	-
Taxation and social security	672	5,235	672	3,079
Other creditors	-	342	-	48
Accruals and deferred income	9,141	197,967	9,141	9,163
	<u>3,011,078</u>	<u>2,847,600</u>	<u>3,011,078</u>	<u>1,965,682</u>

Amounts owed to related undertakings comprises the following:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Loan notes	669,869	494,070	669,869	494,070
Loan note interest accrued	1,328,970	1,056,921	1,328,970	1,056,921
Other	1,001,578	547,586	1,001,578	402,401
	<u>3,000,417</u>	<u>2,098,577</u>	<u>3,000,417</u>	<u>1,953,392</u>

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

18. CREDITORS: Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the group:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts owed to related undertakings – loan notes	669,869	494,070	669,869	494,070
Bank loans	-	266,569	-	-
Hire purchase obligations	-	65,387	-	-
	<u>669,869</u>	<u>826,026</u>	<u>669,869</u>	<u>494,070</u>

19. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	-	1,246,238	-	-
Amounts owed to related undertakings – loan notes	311,755	2,645,130	311,755	2,645,130
Hire purchase obligations	-	10,232	-	-
	<u>311,755</u>	<u>3,901,600</u>	<u>311,755</u>	<u>2,645,130</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the group and company:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	-	1,246,238	-	-
Amounts owed to related undertakings – loan notes	311,755	2,645,130	311,755	2,645,130
Hire purchase obligations	-	10,232	-	-
	<u>311,755</u>	<u>3,901,600</u>	<u>311,755</u>	<u>2,645,130</u>

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

19. CREDITORS: Amounts falling due after more than one year *(continued)*

Amounts owed to related undertakings-loan notes of £981,624 (2021: £3,139,200) are due in equal proportion to Regen Holdings Limited and ACP Ordinary Shareco Limited. The loan notes accrue interest on a monthly basis at a fixed rate of 10% and are secured by fixed charges over the group's freehold property and fixed and floating charges over its other assets.

Amounts owed to related undertakings-other are unsecured, interest free and are expected to be repayable within one year.

None of the creditors falling due after more than one year are repayable after five years.

20. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2022 £	2021 £
Group		
Not later than 1 year	-	65,387
Later than 1 and before 5 years	-	10,232
	<u>-</u>	<u>75,619</u>

21. FINANCIAL INSTRUMENTS

The group and company have the following financial instruments:

Financial assets measured at amortised cost

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	-	56,123	-	-
Amounts owed by group undertakings	-	-	-	2,064,972
Amounts owed by related undertakings	5,319	30,062	5,319	5,319
Other debtors	914,538	21,018	914,538	56
Interest due in respect of loan notes	-	-	-	730,854
	<u>919,857</u>	<u>107,203</u>	<u>919,857</u>	<u>2,801,201</u>

Financial liabilities measured at amortised cost

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Bank loans	-	1,512,807	-	-
Trade creditors	848	213,523	848	-
Amounts owed to related undertakings	3,312,172	4,743,707	3,312,172	4,598,522
Hire purchase obligations	-	75,619	-	-
	<u>3,313,020</u>	<u>6,545,656</u>	<u>3,313,020</u>	<u>4,598,522</u>

WHITES GENERATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2022

22. DEFERRED TAXATION

The movement in the deferred taxation liability during the year was:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Liability brought forward	477,205	465,821	-	-
Origination and reversal of timing differences	-	11,384	-	-
Disposal of Fernbrook Bio Limited	(477,205)	-	-	-
Liability carried forward	<u>-</u>	<u>477,205</u>	<u>-</u>	<u>-</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

Group	2022		2021	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Accelerated capital allowances and other timing differences on tangible fixed assets	-	-	477,205	-
	<u>-</u>	<u>-</u>	<u>477,205</u>	<u>-</u>

23. CONTINGENT LIABILITIES

A cross guarantee and debenture was in place between Fernbrook Bio Limited and Whites Generation Limited, dated 18 May 2016, in respect of the banking facilities of both companies until 16 December 2021.

24. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption for disclosure of transactions between group companies. Whites Recycling Limited (WRL) is a company which is controlled by Regen Holdings Limited, which in turn holds a 50% equity investment in Whites Generation Limited.

During the year ended 31 January 2022, Fernbrook Bio Limited incurred management charges from WRL totalling £170,093 (2021: £189,426). In addition, that company made purchases totalling £87,195 (2021: £233,776) from WRL. During the year that company provided services totalling £77,497 (2021: £68,019) to WRL.

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24. RELATED PARTY TRANSACTIONS *(continued)*

Axil Integrated Services Limited (Axil) is a company in which Regen Holdings Limited holds a 70% equity investment. During the year, Fernbrook Bio Limited purchased services totalling £50,790 from Axil (2021: £7,674). In addition, Fernbrook Bio Limited made sales of £13,270 to Axil during the year ended 31 March 2022 (2021: £18,796).

At 31 January 2022, the company owed each of Regen Holdings Limited and ACP Ordinary Shareco Limited £490,812 in respect of all loan notes issued (at 31 January 2021, £1,569,600 was owed to each of Regen Holdings Limited and ACP I Shareco Limited). During the year ended 31 January 2022, an amount of £136,025 (2021: £143,574) was charged by both Regen Holdings Limited and ACP Ordinary Shareco Limited (ACP I Shareco Limited during the year ended 31 January 2021) to Whites Generation Limited in respect of interest on all loan notes. Of this interest, an amount of £1,328,970 (2021: £1,056,921) in total was unpaid at 31 January 2022. During the year, both Regen Holdings Limited and ACP Ordinary Shareco Limited made unsecured, interest free loans of £300,000 to the company which were outstanding at 31 January 2022. These loans are treated as short-term as, although there is a term of up to five-years, the company does not have an unconditional right to defer settlement for more than 12 months in certain situations. In addition, the directors decided that the £900,000 of deferred consideration on the sale of Fernbrook Bio Limited will be allocated against these outstanding loans. Settlement of balances subsequent to the year-end are detailed in note 27.

The remainder of the transactions with businesses connected with directors of the company are not considered material to either party. No other transactions with related parties were undertaken such as are required to be disclosed.

25. CALLED UP SHARE CAPITAL

Group and company

Allotted, called up and fully paid:

	2022		2021	
	No	£	No	£
Ordinary shares of £1 each	784,800	784,800	784,800	784,800

The shares rank pari passu in all respects.

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26. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF LOSS FOR THE FINANCIAL YEAR TO NET CASH FROM OPERATING ACTIVITIES

	2022 £	2021 £
Loss for the financial year	(127,386)	(889,054)
Adjustments for:		
Tax on loss	30,934	11,384
Net interest expensed	44,576	341,461
Profit on disposal of operations	(448,668)	-
Operating loss	(500,544)	(536,209)
Depreciation	378,238	592,558
Amortisation of intangible assets	38,920	44,532
Amortisation of loan arrangement fees	-	3,750
Loss on disposal of fixed assets	1,717	-
Decrease / (increase) in stocks	1,786	(10,366)
(Increase) / decrease in debtors	(144,984)	5,486
Increase in creditors	5,928	155,485
Net cash (used in) / generated from operating activities	<u>(218,939)</u>	<u>255,236</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Feb 2021 £	Cash flows £	Non-cash changes £	At 31 Jan 2022 £
Net cash:				
Cash at bank and in hand	313,658	(261,427)	-	52,231
Debt:				
Debt due within 1 year	(1,160,639)	(405,972)	(103,258)	(1,669,869)
Debt due after 1 year	(3,891,368)	-	3,579,613	(311,755)
Hire purchase agreements	(75,619)	55,088	20,531	-
	<u>(5,127,626)</u>	<u>(350,884)</u>	<u>3,496,886</u>	<u>(1,981,624)</u>
Net debt	<u>(4,813,968)</u>	<u>(612,311)</u>	<u>3,496,886</u>	<u>(1,929,393)</u>

27. SUBSEQUENT EVENTS

On 16 June 2022, the company received £225,000 of the deferred consideration due on the sale of Fernbrook Bio Limited. This was used to settle £225,000 of the short-term loans due to Regen Holdings Limited and ACP Ordinary Shareco Limited.

On 10 October 2022, the company signed an agreement with Regen Holdings Limited and ACP Ordinary Shareco Limited to release the outstanding loan stock of £981,626, accrued interest on the loan stock of £1,328,858 and £100,000 of short-term loans in consideration of the allotment and issue of 2,410,484 fully paid ordinary shares of £1 each.

28. ULTIMATE CONTROLLING PARTY

The company is jointly controlled by Regen Holdings Limited and Albion Community Power LP.

In the opinion of the directors, the company does not have an ultimate controlling party.