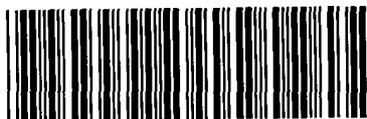


Company Registration No. 02197516

Grovehurst Energy Limited

**Annual Report and Financial Statements
for the year ended 30 April 2019**

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Grovehurst Energy Limited

Annual Report and Financial Statements for the year ended 30 April 2019

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Grovehurst Energy Limited

Annual Report and Financial Statements for the year ended 30 April 2019

Officers and Professional Advisers

Directors

W B Hicks

Z W Stone

Company Secretary

Z W Stone

Registered Office

350 Euston Road

London

United Kingdom, NW1 3AX

Registered Number

02197516

Auditor

Deloitte LLP

Statutory Auditor

Cardiff

United Kingdom

Bankers

National Westminster Bank Plc

1 Princes Street

London

EC2R 8AQ

Grovehurst Energy Limited

Directors' Report

The Directors present their annual report and the audited financial statements of Grovehurst Energy Ltd ('company') for the year ended 30 April 2019. The company has taken the small companies exemption in the Directors' Report and from the requirement to present a Strategic Report.

Principal Activities

The company holds a small lease as its principal activities and this is not expected to change. The cost of this lease is recharged to DS Smith Paper Ltd.

Dividends

The Directors have not proposed or paid a dividend for the year ended 30 April 2019 (2018: £nil).

Directors

The Directors who held office during the year and to the date of signing the financial statements, except as noted, were as follows:

W B Hicks

A Steele (resigned 31st October 2018)

Z W Stone (appointed 31st October 2018)

Company Secretary

During the year the company secretary had resigned and a replacement appointed.

Directors' and officers' liability insurance

During the year and up to the date of approval of these financial statements, the parent company maintained liability insurance for the Directors and other Officers of the Company.

Political contributions

No political contributions were made during the year (2018: £nil).

Going Concern

The financial position of the Company is as shown in the Statement of Financial Position on page 9.

The Company's ultimate parent company and controlling party is DS Smith Plc, whose financial statements include; the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Company has access to considerable financial resources from across the DS Smith Group. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. As the Company has a net liability position a letter of support has been received from the ultimate parent DS Smith Plc. The Directors have assessed the ability of the parent to provide this support.

The Directors agreed to transfer the trade and assets to DS Smith Paper Limited at 1 May 2013 and, at that point, the Company ceased trading. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such were committed at the balance sheet date.

Grovehurst Energy Limited

Directors' Report (continued)

Auditor

Each person who is a Director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be reappointed as auditor in the absence of an Annual General Meeting pursuant to s487 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board:



W B Hicks

Director

30 January 2020

Grovehurst Energy Limited

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

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 and applicable law), including FRS 101 *Reduced Disclosure Framework* (FRS 101).

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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Grovehurst Energy Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Grovehurst Energy Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 April 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's report to the members of Grovehurst Energy Limited (continued)

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

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 auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Independent auditor's report to the members of Grovehurst Energy Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Hedditch

David Hedditch (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Cardiff, United Kingdom

30 January 2020

Grovehurst Energy Limited
Statement of Comprehensive Income
Year ended 30 April 2019

| | Note | Total 2019 £'000 | Total 2018 £'000 |
|---|------|------------------------|------------------------|
| Revenue | | - | - |
| Cost of sales | | - | - |
| Gross result | | - | - |
| Distribution costs | | - | - |
| Administrative expenses | | - | - |
| Other operating income | | - | - |
| Operating Result | | - | - |
| Loss on disposal of fixed assets | | - | - |
| Finance income | | - | - |
| Finance costs | | - | - |
| Employment benefit net finance expense | | - | - |
| Net financing costs | | - | - |
| Result before income tax | | - | - |
| Income tax (expense)/credit | | - | - |
| Result for the financial year and Total Comprehensive Income | | - | - |

There are no recognised gains or losses other than those detailed in the Statement of Comprehensive Income.

Grovehurst Energy Limited
Statement of Financial Position
As at 30 April 2019

| | Note | 2019 £'000 | 2018 £'000 |
|--|------|---------------|---------------|
| Assets | | | |
| Non-current assets | | | |
| Total non-current assets | | - | - |
| Current assets | | | |
| Total current assets | | - | - |
| Total assets | | - | - |
| Liabilities | | | |
| Non-current liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 3 | (6,032) | (6,032) |
| Total current liabilities | | (6,032) | (6,032) |
| Total assets less current liabilities | | (6,032) | (6,032) |
| Total liabilities | | (6,032) | (6,032) |
| Net liabilities | | (6,032) | (6,032) |
| Equity | | | |
| Share Capital | 4 | - | - |
| Accumulated losses | | (6,032) | (6,032) |
| Shareholders' deficit | | (6,032) | (6,032) |

These financial statements for Grovehurst Energy Limited (registered number 02197516), were approved by the Board of Directors and authorised for issue on 30 January 2020.

Signed on behalf of the Board of Directors:


W. B. Hicks
Director

The accompanying notes are an integral part of these Financial Statements.

Grovehurst Energy Limited
Statement of Changes in Equity
Year ended 30 April 2019

| | Share capital £'000 | Accumulated Losses £'000 | Total equity £'000 |
|-----------------------------------|---------------------------|--------------------------------|-----------------------|
| At 1 May 2017 | - | (6,032) | (6,032) |
| Profit for the year | - | - | - |
| Total comprehensive result | - | - | - |
| At 30 April 2018 | - | (6,032) | (6,032) |
| Profit for the year | - | - | - |
| Total comprehensive result | - | - | - |
| At 30 April 2019 | - | (6,032) | (6,032) |

Grovehurst Energy Limited

Notes to the financial statements for the year ended 30 April 2019

1. Principal accounting policies

Basis of preparation

The financial statements of the Company have been prepared on the going concern basis and in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101) and the UK Companies Act 2006.

The company is a private company limited by shares and is registered in England & Wales. The address of the Company's registered office is shown on page 1.

The financial statements are prepared under the historical cost convention.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures as they have met the definition of a qualifying entity

- Statement of Cash Flows and related notes;
- a comparative period reconciliation for share capital;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs; and
- disclosures in respect of Key Management Personnel.

As the Group Financial Statements include the equivalent disclosures, the Company has also taken advantage of the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instruments*.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price and, where applicable, are subsequently measured at amortised cost. Financial assets and liabilities are only offset in the statement of financial position 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. Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated using the rate of exchange ruling at that date.

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years. In accordance with Group policy, the Company surrenders current year tax losses to other members of the DS Smith Group, and receives payment for those tax losses at the rate of tax prevailing in the year.

Grovehurst Energy Limited

Notes to the financial statements for the year ended 30 April 2019 (continued)

Deferred tax is provided for using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Going Concern

The Company's ultimate parent company and controlling party is DS Smith Plc, whose financial statements include; the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Company has access to considerable financial resources from across the DS Smith Group. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. As the Company has a net liability position a letter of support has been received from the ultimate parent DS Smith plc. The Directors' have assessed the ability of the parent to provide this support.

The Directors agreed to transfer the trade and assets to DS Smith Paper Limited at 1 May 2013 and, at that point, the Company ceased trading. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such were committed at the balance sheet date.

Critical accounting judgements and estimates

The Directors do not deem there to be any critical accounting judgements or estimation uncertainty in the preparation of the financial statements.

2. Directors' emoluments

The emoluments of the Directors are paid by other companies within the Group. The Company receive management and operational recharges for relevant pooled group costs which may include a portion of the Directors' emoluments along with numerous other costs. The Directors who served during the year are also directors of a number of fellow subsidiaries within the Group. It is not practical to make an accurate apportionment of the emoluments in respect of each of the subsidiaries. Accordingly, their emoluments are disclosed in the financial statements of the respective companies with whom they have their primary employment contracts. Full disclosure can be obtained from DS Smith plc.

3. Trade and other payables

| | 2019 | 2018 |
|------------------------------------|----------------|---------|
| | Current | Current |
| | £'000 | £'000 |
| Amounts owed to Group undertakings | 6,032 | 6,032 |
| | 6,032 | 6,032 |

No interest was charged on the amount owed to Group undertakings which have no fixed repayment date and are therefore repayable on demand. Amounts owed to Group undertakings are unsecured.

Grovehurst Energy Limited

Notes to the financial statements for the year ended 30 April 2019 (continued)

4. Share capital

| | 2019 £'000 | 2018 £'000 |
|---|---------------|---------------|
| Authorised and Allotted, called-up and fully paid: | | |
| 100 (2018: 100) ordinary shares of £1 each | - | - |

The company has one class of ordinary shares which carry no right of fixed income.

5. Staff costs

Staff costs are nil (2018 nil). The Company does not have any staff.

6. Audit fees

Audit fees are not separately charged for the audit but are included within the audit fees of DS Smith Paper Ltd which are paid by DS Smith Paper Ltd. The total audit fee payable by DS Smith Paper Ltd is £79,181 (2018 £85,000).

7. Related party transactions

There are no related party transactions in the period.

8. Contingent liabilities

The Company is a participant in the DS Smith Group's uncommitted overdraft facility with a net limit of £5m. The participants in the facility cross guarantee the overdrawn balances under the facility.

9. Ultimate parent undertaking and controlling party

The Company's immediate parent company is DS Smith Paper Limited, a company incorporated in the United Kingdom.

The ultimate parent company and the ultimate controlling party is DS Smith Plc, a company incorporated in the United Kingdom.

DS Smith Plc represents both the largest and smallest group of undertakings for which Group financial statements are prepared and of which the Company is a member. Copies of the Group financial statements are available from the Company Secretary of DS Smith Plc at 350 Euston Road, London, NW1 3AX which is its registered address.

The Company does not have any subsidiary undertakings.

10. Subsequent events

There are no subsequent events after the reporting date which require disclosure.