

Company Registration No 02890411 (England and Wales)

CANFORD RENEWABLE ENERGY LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2012

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CANFORD RENEWABLE ENERGY LIMITED

CONTENTS

	Page
Independent auditors' report	1 - 3
Abbreviated balance sheet	4
Notes to the abbreviated accounts	5 - 7

CANFORD RENEWABLE ENERGY LIMITED

INDEPENDENT AUDITORS' REPORT TO CANFORD RENEWABLE ENERGY LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 7, together with the financial statements of Canford Renewable Energy Limited for the year ended 31 January 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Other information

On _____ we reported, as auditors of Canford Renewable Energy Limited, to the members on the financial statements prepared under section 396 of the Companies Act 2006 for the year ended 31 January 2012, and our report was as follows:

"We have audited the financial statements of Canford Renewable Energy Limited for the year ended 31 January 2012 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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.

CANFORD RENEWABLE ENERGY LIMITED

INDEPENDENT AUDITORS' REPORT TO CANFORD RENEWABLE ENERGY LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis for qualified opinion on financial statements

The audit evidence available to us was limited regarding the recoverability of debtor balances owed by Horton Golf Limited.

Trade debtors include £803,220 due from Horton Golf Limited and the company has also provided an additional loan of £572,972 which is included in other debtors. Horton Golf Limited incurs trading losses as it continues to develop its trading operation. The company has agreed not to call upon amounts owed by Horton Golf Limited for a period in excess of twelve months from signing the balance sheet. Horton Golf is a wholly owned company of an EPUT, the owner of which is a pension scheme.

Confirmation was requested from the shareholders of Horton Golf Limited regarding their on-going support to assess the recoverability of the amounts owed to Canford Renewable Energy Limited. This confirmation was not received at the time of completing this audit. Had this confirmation been received to enable the recoverability of these debtor balances to be considered we might have formed a different opinion on the financial statements.

Qualified opinion on the financial statements arising from a limitation in audit scope

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements

- give a true and fair view of the state of the company's affairs as at 31 January 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

CANFORD RENEWABLE ENERGY LIMITED

INDEPENDENT AUDITORS' REPORT TO CANFORD RENEWABLE ENERGY LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Opinion on other matter prescribed by the Companies Act 2006

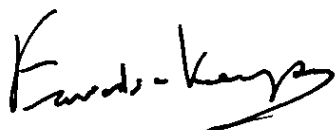
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to the lack of information available to support the recoverability of debtor balances as described above, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report "



Ian Carrington MA (Oxon) FCA (Senior Statutory Auditor)
for and on behalf of Edwards & Keeping

20 April 2012

Chartered Accountants
Statutory Auditor

Unity Chambers
34 High East Street
Dorchester
Dorset
DT1 1HA

CANFORD RENEWABLE ENERGY LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 JANUARY 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	2	5,974,738		5,800,076	
Investments	2	-		964,640	
		<u>5,974,738</u>		<u>6,764,716</u>	
Current assets					
Debtors	3	2,618,935	2,522,494		
Cash at bank and in hand		<u>187,891</u>	<u>568,165</u>		
		2,806,826	3,090,659		
Creditors: amounts falling due within one year	4	<u>(4,153,585)</u>	<u>(5,321,543)</u>		
Net current liabilities		<u>(1,346,759)</u>		<u>(2,230,884)</u>	
Total assets less current liabilities		4,627,979		4,533,832	
Creditors: amounts falling due after more than one year		(15,666)		(44,520)	
Provisions for liabilities		<u>(72,775)</u>		<u>(38,948)</u>	
		<u>4,539,538</u>		<u>4,450,364</u>	
Capital and reserves					
Called up share capital	5	100		100	
Profit and loss account		<u>4,539,438</u>		<u>4,450,264</u>	
Shareholders' funds		<u>4,539,538</u>		<u>4,450,364</u>	

These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board for issue on 29/10/12



W E Riddle
Director

Company Registration No. 02890411

CANFORD RENEWABLE ENERGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JANUARY 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The balance sheet discloses a net current liability and the company has agreed to postpone collection of £1.38m owed by Horton Golf Limited. The company has a £1,300,000 revolving credit facility with its bank of which it has not needed to draw upon and it has replaced loan finance it had with its bank with loan finance from W H White Limited, a company also controlled by W E Riddle (Director). The directors are confident that sufficient liquid resources are available from current operating income and current sources of finance to ensure the company is able to meet its debts as they fall due for a period exceeding 12 months from the date of the accounts being signed. The directors therefore consider it is appropriate for the company to prepare accounts on the going concern basis.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	8 1/3% - 20% p a straight line basis
Fixtures, fittings & equipment	33 3% p a straight line basis
Motor vehicles	8 1/3% - 20% p a straight line basis

Investment properties are included in the balance sheet at their open market value. The company only holds freehold investment properties which are not subject to depreciation. Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors, compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

No depreciation is provided in respect of freehold land.

Small buildings at the caravan site are depreciated at 10% p a straight line basis.

The directors consider the value of each of the freehold buildings in 50 years time to be equal to or in excess of their historic cost, resulting in no depreciation charge being required on these properties.

1.4 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and 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.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

CANFORD RENEWABLE ENERGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

1 Accounting policies

(continued)

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.6 Pensions

The Company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension contributions are charged to the Profit and Loss Account as they become payable in accordance with the rules of the scheme.

1.7 Deferred taxation

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 accounts. 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.

2 Fixed assets

	Tangible assets	Investments	Total
	£	£	£
Cost			
At 1 February 2011	6,144,311	964,640	7,108,951
Additions	390,160	-	390,160
Disposals	(150,632)	(964,640)	(1,115,272)
	<u>6,383,839</u>	<u>-</u>	<u>6,383,839</u>
At 31 January 2012	6,383,839	-	6,383,839
Depreciation			
At 1 February 2011	344,235	-	344,235
On disposals	(50,095)	-	(50,095)
Charge for the year	114,961	-	114,961
	<u>409,101</u>	<u>-</u>	<u>409,101</u>
At 31 January 2012	409,101	-	409,101
Net book value			
At 31 January 2012	<u>5,974,738</u>	<u>-</u>	<u>5,974,738</u>
At 31 January 2011	<u>5,800,076</u>	<u>964,640</u>	<u>6,764,716</u>

Fixed asset investments included £964,640 (nominal) of Unsecured Loan Notes 2007 in New Earth Solutions Group Limited. The loan notes were repaid during the year. The loan notes provided interest at 10% per annum and this was receivable quarterly in arrears.

CANFORD RENEWABLE ENERGY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

3 Debtors

Debtors include an amount of £1,376,192 (2011 - £1,368,181) which is due after more than one year

4 Creditors amounts falling due within one year

The aggregate amount of creditors for which security has been given amounted to £- (2011 - £3,000,000)

The company had a £3,000,000 revolving facility with the bank however during the year this source of finance was replaced with additional loan finance from W H White Limited, a company also controlled by W E Riddle (Director) The company has retained a £1,300,000 revolving facility but has not drawn from it This facility is secured by first legal charges over the Company's freehold land and buildings and a floating charge and debenture over all assets and rights of the company, present and future

5 Share capital	2012 £	2011 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

6 Ultimate parent company

The company is controlled by Mr W E Riddle (Director) who owns 75% of the issued share capital