



CLP Envirogas

CLP Envirogas Limited

Report and financial statements

for the year ended 30 June 2021

Registered number: 03720203

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COMPANIES HOUSE

Directors and advisers

Directors

P S Latham
M G Setchell
E J Wilkinson

Company secretary

Octopus Company Secretarial Services Limited

Bankers

Barclays Bank Plc
1 Churchill Place
London
E14 5HP

Registered office

6th Floor
33 Holborn
London
EC1N 2HT

Strategic report for the year ended 30 June 2021

The directors present their strategic report for the company for the year ended 30 June 2021.

Business review

The company's income is derived solely from the charges it levies for the operational and maintenance services it provides to its fellow subsidiaries which are engaged in the generation of electricity from landfill gas at various sites across the United Kingdom. The results of the company for the year ended 30 June 2021 and its financial position as at that date were satisfactory.

Results

The profit for the financial year amounted to £662,703 (2020: £813,155).

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with those of the group and are not managed separately. The group has an agreed formal risk management policy and framework that covers identification, mitigation, control, monitoring and review of risks on a regular basis. Further discussion of group wide risks is provided within the directors' report of Melton Renewable Energy UK Limited which does not form part of this report.

Statement by the directors in performance of their statutory duties in accordance with s172(1)(a) to (f) Companies Act 2006

From the perspective of the company's directors, the matters that they are responsible for considering under Section 172 (1) of the Companies Act 2006 ('s172') have been considered to an appropriate extent by the directors of Melton Renewable Energy UK Limited in relation to both the group and the company. To the extent necessary for an understanding of the development, performance and position of the company, an explanation of how the group has considered the matters relating to s172 is included within the group's report and financial statements which does not form part of this report.

Key performance indicators

Given the group wide approach to the management of operations, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of CLP Envirogas Limited. The key performance indicators used by the group's directors to assess the development, performance and position of Melton Renewable Energy UK Limited which includes this wholly owned UK subsidiary, are discussed in the group's report and financial statements which does not form part of this report.

8 NOVEMBER 2021

The report was approved by the board on ~~October 2021~~ and signed on its behalf by:



E J Wilkinson
Director

Directors' report for the year ended 30 June 2021

The directors present their report and the financial statements for company for the year ended 30 June 2021

Principal activities

The principal activity of the company is the operation and maintenance of landfill gas generation assets on behalf of fellow subsidiaries of its immediate parent company CLPE Holdings Limited. The company operates at 19 sites across the United Kingdom.

Future developments

The directors anticipate no significant changes in the company's operations in the year ending 30 June 2021 and that results will continue to be satisfactory.

Covid-19

On 11 March 2020, the World Health Organization declared a global pandemic in respect of the outbreak of Covid-19. Governments in affected areas have imposed a number of measures designed to manage and contain the outbreak, including business closures, travel and work restrictions, stay at home orders and cancellations of gatherings and events. The spread of Covid-19 and governmental responses to it resulted in an economic downturn in the UK and the global economy more widely during 2020, as well as causing initial declines and increased volatility in financial and electricity markets. The UK and global economies have recovered during 2021, coinciding with a sharp rise in wholesale UK electricity prices. If the pandemic outbreak continues, or further diseases emerge that give rise to similar effects, the adverse impact on the global economy could recur and result in subsequent declines in financial and electricity markets.

Onsite operational and maintenance activities consist of regular planned maintenance, servicing, plant condition monitoring and unplanned repairs. On a daily basis this generally requires minimum manpower and can usually be undertaken whilst observing social distancing rules and other precautionary measures. By minimising the number of staff on sites at any one time and maintaining social distancing, normal operations and availability have been maintained.

Consequently, at this point we believe that the Covid-19 pandemic will not impact upon the company's balance sheet or its ability to continue as a going concern. Further, we believe that there will be only a limited impact upon the company's operational activities, income statement and cash flows in the upcoming 12 months.

Dividends

The directors do not recommend payment of a dividend (2020: £nil).

Directors

The directors of the company, who held office during the year and up to the date of signing the financial statements, are given below:

P S Latham
M G Setchell
E J Wilkinson

Directors' report for the year ended 30 June 2021

Going concern

Notwithstanding the fact that the company has net current liabilities and net liabilities, the directors have prepared the financial statements on the going concern basis. The company has received confirmation from Melton Renewable Energy UK Limited, the company's ultimate parent, that financial support will be provided for a period of at least twelve months from the date of approval of these financial statements such as to enable the company to meet its obligations as they fall due.

Directors' third-party indemnity provision

A qualifying third-party indemnity provision as defined in section 234 of the Companies Act 2006 was in force throughout the financial year and at the date of approval of the financial statements for the benefit of each of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which directors may not be indemnified, the company maintained a directors' and officers' liability insurance policy throughout the financial year and up to the date of approval of the financial statements.

Employee information

We fully realise that our employees wish to be informed and consulted on matters affecting their work and to be involved in problem-solving affecting their own areas of interest and responsibility. The group and company are firmly committed to a policy of good communication at all levels and we aim to establish a climate which constantly encourages the open flow of information and ideas. Presently this includes quarterly roadshow presentations, a quarterly newsletters and the publication regional reports including key performance indicators covering output, operating costs and health and safety on a weekly and monthly basis.

Financial risk management

The company's operations expose it to limited financial risks, but these include price risk and liquidity risk.

Given the size of the company, the directors have not delegated responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the group's finance department.

Price Risk

The company is exposed indirectly to commodity price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature. The company has no exposure to equity securities price risk as it holds no listed or other equity investments.

Liquidity risk

The company maintains cash balances and has access to short-term finance so as to ensure the company has sufficient available funds for operations.

Directors' report for the year ended 30 June 2021

Statement of directors' responsibilities

The directors are responsible for preparing the 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 group and the company financial statements 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).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising 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 company will continue in business.

The directors are responsible for safeguarding the assets of the 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Audit exemption

The members have not required the company to obtain an audit of its financial statements for the year in accordance with section 476 of the Companies Act 2006. Accordingly no auditors have been appointed. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The report was approved by the board on 8 November 2021 and signed on its behalf by:



E J Wilkinson
Director

Statement of income and retained earnings

for the year ended 30 June 2021

	Note	2021 £	2020 £
Turnover	5	12,899,797	12,347,546
Cost of sales		(8,119,087)	(7,145,622)
Gross profit		4,780,710	5,201,924
Administrative expenses		(4,091,476)	(4,333,321)
Interest receivable and similar income		581	-
Profit on ordinary activities before taxation	6	689,815	868,603
Tax on profit on ordinary activities	9	(27,112)	(55,448)
Profit for the financial year	15	662,703	813,155
Accumulated losses brought forward	15	(12,283,994)	(13,097,149)
Accumulated losses carried forward	15	(11,621,291)	(12,283,994)

All items dealt with in the statement of income and retained earnings above relate to continuing operations.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The company has no other comprehensive income other than the results above and therefore no separate statement of comprehensive income has been prepared.

Balance Sheet

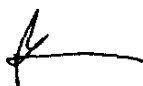
as at 30 June 2021

		2021 £	2020 £
	<i>Note</i>		
Fixed assets			
Tangible assets	10	370,222	366,990
Current assets			
Stocks	11	3,094,944	3,581,224
Debtors	12	1,905,689	1,506,974
Cash at bank and in hand		253,005	69,853
		<u>5,253,638</u>	<u>5,158,051</u>
Creditors: amounts falling due within one year	13	(17,244,151)	(17,808,035)
Net current liabilities		<u>(11,990,513)</u>	<u>(12,649,984)</u>
Net liabilities		<u>(11,620,291)</u>	<u>(12,282,994)</u>
Capital and reserves			
Called up share capital	14	1,000	1,000
Accumulated losses	15	(11,621,291)	(12,283,994)
Total shareholders' deficit	16	<u>(11,620,291)</u>	<u>(12,282,994)</u>

For the year ending 30 June 2021 the directors consider that the company is entitled to exemption from audit under section 479A of the Companies Act 2006 ("the Act") and the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements on pages 6 to 18 were approved by the board of directors on **8 November 2021** and were signed on its behalf by:



P S Latham
Director

Registered number: 03720203

Notes to the financial statements

for the year ended 30 June 2021

1. General information

The principal activity of the company is the operation and maintenance of landfill gas generation assets on behalf of fellow subsidiaries of its immediate parent company CLPE Holdings Limited. The company operates at 19 sites across the United Kingdom.

The company is a private company limited by shares and is incorporated and registered in England and Wales. The address of its registered office is 6th Floor, 33 Holborn, London, EC1N 2HT.

2. Statement of compliance

The financial statements of CLP Envirogas Limited 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. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The financial statements are prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable 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").

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company 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 note 4.

Going concern

Notwithstanding the fact that the company has net current liabilities and net liabilities, the directors have prepared the financial statements on the going concern basis. The directors have received confirmation from Melton Renewable Energy UK Limited, the intermediate parent company of its intention to financially support the company such that the company can meet those obligations as they fall due for a period of at least twelve months from the date of the directors' approval of these financial statements.

Notes to the financial statements

for the year ended 30 June 2021

3. Accounting policies (continued)

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in the consolidated financial statements of the group in which the entity is consolidated, includes the company's cash flows;
- (ii) from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29 as the information is provided in the consolidated financial statement disclosures.

Related parties

The company is exempt from disclosing transactions with related entities, these being other 100% owned subsidiaries of Fern Trading Limited, as required by FRS 102 paragraph 33.1.

Turnover

Turnover represents the invoiced value of services relating to the development, maintenance and operation of landfill gas generating assets on behalf of fellow subsidiaries.

Accrued income comprises income relating to the current year, which has not been invoiced as at the balance sheet date.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Tangible fixed assets

Tangible fixed assets are stated at historic purchase 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.

Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives from commissioning using the straight line basis. The expected useful lives of the assets to the business are reassessed periodically in the light of the experience.

Straight line annual rates of depreciation most widely used are:

Plant and machinery	10% and 25%
Vehicles	25%
Fixtures and fittings	25%

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value.

Work in progress represents the preparation, purchase and installation cost of landfill gas generation infrastructure under construction.

Where necessary, provision is made for obsolete, slow moving and defective stock.

Notes to the financial statements

for the year ended 30 June 2021

3. Accounting policies (continued)

Current tax

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

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Group relief

Amounts receivable/payable in respect of tax losses surrendered to/by group companies are recognised in the period in which the losses are surrendered.

Leases

At inception the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement and whether the lease should be classified as either a finance lease or an operating lease.

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at the commencement of the lease at the fair value of the leased asset and depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the statement of income and retained earnings on a straight line basis over the period of the lease.

Pension costs

All employees of the company are entitled to contribute to a defined contribution pension scheme. Employee contributions of varying amounts together with employer contributions of between 3% and 10% are paid monthly to the scheme providers. These contributions are recognised as an expense in the statement of income and retained earnings on an accruals basis.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables 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 rate of interest.

Notes to the financial statements

for the year ended 30 June 2021

3. Accounting policies (continued)

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 loss is recognised in the statement of income and retained earnings.

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

Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group 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.

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

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

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the company's accounting policies

The directors consider that there are no critical judgements in the application of the company's accounting policies which would have a material impact on the financial statements.

(b) Key accounting estimates and assumptions

i) Useful economic life of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed periodically.

Notes to the financial statements

for the year ended 30 June 2021

5. Turnover

Turnover arises solely from the company's principal activities in the United Kingdom, net of value added tax.

6. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging / (crediting):

	2021	2020
	£	£
Loss/(profit) on sale of tangible fixed assets	4,705	(1,500)
Depreciation of owned fixed assets	176,381	145,763
Operating lease rentals		
- land and buildings	40,000	40,000
- other	195,659	190,983
Inventory recognised as an expense	2,534,369	3,048,893
Foreign currency exchange losses	2,366	36,379

Included in the above are operating lease rentals amounts of £48,508 (2020: £48,508) for which the cost is borne by the company on behalf of CLPE ROC-2 Limited who carries the annual commitment under non-cancellable operating leases.

7. Directors' emoluments

The company paid no remuneration or wages to its directors during the financial year (2020: £nil). The emoluments of E J Wilkinson are paid by other group companies and recharged to CLP Envirogas Limited as part of a management charge. This management charge also includes a recharge of administration costs borne by the parent companies on behalf of the company and it is not possible to identify separately the amount of directors' emoluments.

P S Latham and M G Setchell did not receive any payment for services to the Melton Renewable Energy UK Limited group.

Key management personnel compensation paid by the company during the year was:

	2021	2020
	£	£
Salaries and other short-term benefits	355,051	381,491

Notes to the financial statements

for the year ended 30 June 2021

8. Employee information

	2021	2020
	£	£
Wages and salaries	2,738,763	2,935,233
Social security costs	317,678	351,567
Other pension costs	139,398	141,126
Salaries and other short-term benefits	3,195,839	3,427,926

The average monthly number of persons employed by the company during the year was:

	2021	2020
	Number	Number
By activity:		
Production	38	40
Administration	27	26
	65	66

9. Tax on profit on ordinary activities

a) Analysis of charge in the year

	2021	2020
	£	£
Current tax		
Group relief payable	67,909	70,032
Adjustments in respect of prior years	(3,852)	1,593
Total current tax charge	64,057	71,625
Deferred tax		
Origination and reversal of timing differences	(3,135)	(4,012)
Adjustments in respect of prior years	505	(1,426)
Change in tax rate	(34,315)	(10,739)
Total deferred tax (note 9(c))	(36,945)	(16,177)
Tax charge on profit on ordinary activities	27,112	55,448

Notes to the financial statements

for the year ended 30 June 2021

9. Tax on profit on ordinary activities (continued)

b) Reconciliation of tax charge

The tax assessed on the profit on ordinary activities before taxation for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are reconciled below:

	2021 £	2020 £
Profit on ordinary activities before taxation	689,815	868,603
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax of 19% (2020: 19%)	131,065	165,035
Effects of:		
Expenses not deductible for tax purposes	-	167
Adjustments in respect of prior years	(3,347)	5,565
Change in tax rate	(34,315)	(10,739)
Other permanent differences	(64,837)	(104,580)
Non taxable income	(1,454)	-
Tax charge for the year	27,112	55,448

c)	Deferred tax	2021 £	2020 £
Deferred tax asset comprises:			
Decelerated capital allowances		140,261	101,362
Short term timing differences		2,716	4,670
Total deferred tax asset		142,977	106,032
At 1 July		106,032	89,855
Deferred tax credit in statement of income and retained earnings for year (note 9(a))		36,945	16,177
At 30 June		142,977	106,032

Deferred tax is calculated at 25% (2020: 19%). The company has no deferred tax provision at 30 June 2021 (2020: £nil).

d) Factors that may affect future charges

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020 (as enacted by Finance Act 2016 on 15 September 2016). However, legislation introduced in the Finance Act 2020 (enacted on 22 July 2020) repealed the reduction of the corporation tax, thereby maintaining the current rate of 19%.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were substantively enacted

Notes to the financial statements

for the year ended 30 June 2021

at the balance sheet date and have been reflected in the measurement of deferred tax balances at the period end.

10. Tangible assets

	<i>Plant and machinery</i>	<i>Vehicles</i>	<i>Fixtures and fittings</i>	<i>Total</i>
	£	£	£	£
Cost:				
At 1 July 2020	1,196,665	23,033	145,341	1,365,039
Additions	182,073	-	2,662	184,735
Disposals	(43,053)	(9,500)	-	(52,553)
At 30 June 2021	1,335,685	13,533	148,003	1,497,221
Accumulated depreciation:				
At 1 July 2020	841,090	17,490	139,469	998,049
Charge for the year	171,454	1,979	2,948	176,381
Disposals	(41,495)	(5,936)	-	(47,431)
At 30 June 2021	971,049	13,533	142,417	1,126,999
Net book value:				
At 30 June 2021	364,636	-	5,586	370,222
At 30 June 2020	355,575	5,543	5,872	366,990

11. Stocks

	<i>2021</i>	<i>2020</i>
	£	£
Spare parts and consumables	2,963,125	3,448,752
Work in progress	131,819	132,472
	3,094,944	3,581,224

The replacement cost of stocks does not materially differ from the numbers disclosed above.

Notes to the financial statements

for the year ended 30 June 2021

12. Debtors

	<i>2021</i>	<i>2020</i>
	<i>£</i>	<i>£</i>
Trade debtors	61,851	234,746
Amounts owed by group undertakings	1,136,170	186,625
Deferred tax asset (note 9(c))	142,977	106,032
Other taxes recoverable	344,445	739,875
Other debtors	22,383	22,046
Prepayments and accrued income	197,863	217,650
	1,905,689	1,506,974

The amounts owed by group undertakings are unsecured, do not bear interest, and are repayable on demand.

13. Creditors: amounts falling due within one year

	<i>2021</i>	<i>2020</i>
	<i>£</i>	<i>£</i>
Trade creditors	585,108	579,695
Amounts owed to parent undertaking	15,723,214	16,345,645
Amounts owed to group undertakings for group relief	137,436	89,476
Taxation and social security	90,842	81,824
Accruals and deferred income	707,551	711,395
	17,244,151	17,808,035

The amounts owed to parent and group undertakings are unsecured, do not bear interest, and are repayable on demand.

Notes to the financial statements

for the year ended 30 June 2021

14. Called up share capital

	2021	2020
	£	£
<i>Allotted, called up and fully paid</i>		
1,000 (2020: 1,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

15. Accumulated losses

	£
At 1 July 2020	(12,283,994)
Profit for the financial year	662,703
At 30 June 2021	<u>(11,621,291)</u>

16. Reconciliation of movements in total shareholders' deficit

	2021	2020
	£	£
Opening total shareholders' deficit	(12,282,994)	(13,096,149)
Profit for the financial year	662,703	813,155
Closing total shareholders' deficit	<u>(11,620,291)</u>	<u>(12,282,994)</u>

Notes to the financial statements

for the year ended 30 June 2021

17. Other financial commitments

At 30 June the company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	<i>Land and Buildings</i>	<i>Other</i>	<i>Land and Buildings</i>	<i>Other</i>
	<i>2021</i>	<i>2021</i>	<i>2020</i>	<i>2020</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Payments due:				
Not later than one year	40,000	108,562	40,000	126,804
Later than one year and not later than five years	35,507	54,297	75,507	114,475
	<u>75,507</u>	<u>162,859</u>	<u>115,507</u>	<u>241,279</u>

The land and building amounts above relate to operating lease commitments for property which are in part used by and recharged to a fellow subsidiary company; the annual charge for the year ended 30 June 2021 was £40,000 (2020: £40,000). The other amounts above relate to operating lease commitments for vehicles which are used by and recharged to subsidiary companies; the charge for the year ended 30 June 2021 was £150,294 (2020: £142,475).

18. Contingent liabilities

At 30 June 2021 the company was guarantor with other group companies of a bank loan facility provided by the group's financiers. The outstanding loan balance as at 30 June 2021 was £106,713,000 (2020: £125,505,000).

The company has no other off balance sheet arrangements.

19. Pension contributions

The group operates a defined contribution personal pension scheme. Assets of the scheme are held in independently administered funds. Outstanding contributions at 30 June 2021 amounted to £20,175 (2020: £21,922). Details of the amounts contributed in the year are disclosed in note 8.

20. Ultimate parent undertaking

CLPE Holdings Limited is the immediate parent undertaking and is registered in England and Wales. The ultimate parent undertaking as at the year ended 30 June 2021 was Fern Trading Limited, a company incorporated in England and Wales with its registered office at 6th Floor, 33 Holborn, London, EC1N 2HT.

Melton Renewable Energy UK Limited, registered in England and Wales, is the holding company of the smallest group of undertakings for which group financial statements are drawn up and Fern Trading Limited is the holding company of the largest group of undertakings for which group financial statements are drawn up. Copies of the group financial statements may be obtained from the address above.