



CLP Envirogas

Beighton Energy Limited

Report and financial statements

for the year ended 30 June 2020

Registered number: 03754260

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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

Directors' report for the year ended 30 June 2020

The directors present their report and the financial statements for the company for the year ended 30 June 2020. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activities and business review

The principal activity of the company was the generation of electricity from landfill gas. With effect from March 2017 the company ceased generation and operations from Beighton landfill site and vacated the site. The company did not trade during the year ended 30 June 2020.

Results and dividends

The profit for the financial year amounted to £nil (2019: £nil). The directors do not recommend payment of a dividend (2019: £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' 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.*

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.

Financial risk management

Given that the status of the company is that of a small trading company providing services to CLPE Projects 2 Limited, its parent company, it is exposed to limited financial risks. Those financial risks the group faces have been disclosed within the financial statements of Melton Renewable Energy UK Limited for the year ended 30 June 2020. Given the size of the company, the directors have not delegated the 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 finance department of Melton Renewable Energy UK Limited.

Directors' report for the year ended 30 June 2020

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

The directors of Melton Renewable Energy UK Limited manage the group's operations on a group wide basis. From the perspective of the company's directors, the matters that it is 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. 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 Beighton Energy 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.

Statement of directors' responsibilities

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 group and 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 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 company and of the profit or loss of the group and 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 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 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' report for the year ended 30 June 2020

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.

On behalf of the board



E J Wilkinson
Director
19/10/2020

Statement of income and retained earnings
for the year ended 30 June 2020

	<i>Note</i>	2020 £	2019 £
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
Profit for the financial year	9	-	-
Retained earnings brought forward	9	152,078	152,078
Retained earnings carried forward	9	152,078	152,078

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 2020

	<i>Note</i>	2020 £	<i>2019</i> £
Current assets			
Debtors	6	801,786	802,077
Creditors: amounts falling due within one year	7	-	(291)
Net current assets		801,786	801,786
Total assets less current liabilities		801,786	801,786
Net assets		801,786	801,786
Capital and reserves			
Called up share capital	8	71,375	71,375
Share premium account	9	578,333	578,333
Retained earnings	9	152,078	152,078
Total shareholders' funds	10	801,786	801,786

For the year ending 30 June 2020 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 5 to 12 were approved by the board of directors and were signed on its behalf by:



P S Latham
Director
19/10/2020

Registered number: 03754260

Notes to the financial statements

for the year ended 30 June 2020

1. General information

Beighton Energy Limited ("the company") generates electricity from landfill methane gas.

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

2. Statement of compliance

The financial statements of Beighton Energy 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 have been 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 Group and 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.

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 disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.
- (iii) 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.

Notes to the financial statements

for the year ended 30 June 2020

3. Accounting policies (continued)

Turnover

Turnover represents the invoiced value of goods and services for electricity supplied, net of value added tax and trade discounts. Turnover is derived from and recognised when electricity generated is exported to third party customers.

Income from recycled renewable obligation certificates ("Recycled ROC income") is recognised on an accruals basis and based on an estimate of the declared prices for each compliance period.

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

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 year in which the losses are surrendered.

Notes to the financial statements

for the year ended 30 June 2020

3. Accounting policies (continued)

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.

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 profit or loss.

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, bank loans, loans from fellow group companies and preference shares, 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 Group's accounting policies

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

(b) Key accounting estimates and assumptions

The directors consider that there are no significant accounting estimates or assumptions which would have a material impact on the financial statements.

Notes to the financial statements

for the year ended 30 June 2020

5. Employee information

The company paid no remuneration or wages to its directors during the financial year (2019: £nil) and had no other employees during the financial year (2019: 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.

6. Debtors

	2020 £	2019 £
Amounts owed by parent undertaking	801,786	801,749
Amounts owed by group undertakings for group relief	-	328
	<u>801,786</u>	<u>802,077</u>

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

7. Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings for group relief	-	-
Accruals and deferred income	-	291
	<u>-</u>	<u>291</u>

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

Notes to the financial statements

for the year ended 30 June 2020

8. Called up share capital

	2020 £	2019 £
<i>Authorised</i>		
10,000,000 (2019: 10,000,000) ordinary shares of £0.01 each	<u>100,000</u>	<u>100,000</u>
<i>Allotted and fully paid</i>		
7,137,505 (2019: 7,137,505) ordinary shares of £0.01 each	<u>71,375</u>	<u>71,375</u>

9. Reserves

	<i>Share premium account</i> £	<i>Retained earnings</i> £
At 1 July 2019 and 30 June 2020	<u>578,333</u>	<u>152,078</u>

10. Reconciliation of movements in total shareholders' funds

	2020 £	2019 £
Opening total shareholders' funds	801,786	801,786
Profit for the financial year	-	-
Closing total shareholders' funds	<u>801,786</u>	<u>801,786</u>

11. Contingent liabilities

At 30 June 2020 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 20 was £125,505,000 (2019: £140,496,000).

The company has no other off balance sheet arrangements.

Notes to the financial statements

for the year ended 30 June 2020

12. Ultimate parent undertaking

CLPE Projects 2 Limited is the immediate parent undertaking. The ultimate parent undertaking as at the year ended 30 June 2020 was *Fern Trading Limited*, a company incorporated in the UK. On 10 July 2020, the ultimate parent undertaking changed to Fern Trading Group Limited, also a company incorporated in the UK following the insertion of a new top company to the existing Fern group.

Melton Renewable Energy UK Limited 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 these financial statements are available from the address above.