

REGISTERED NUMBER: 10980875 (England and Wales)

**Scunthorpe Flexi Limited**  
**Directors' Report and**  
**Financial Statements for the Year Ended 31 December 2019**



**Scunthorpe Flexi Limited (Registered number: 10980875)**

**Contents of the Financial Statements  
for the Year Ended 31 December 2019**

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**Scunthorpe Flexi Limited**

**Company Information  
for the Year Ended 31 December 2019**

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**DIRECTORS:**

J M Alfonso  
I E Larivé  
S A Mack

**REGISTERED OFFICE:**

Oxygen House  
Grenadier Road  
Exeter Business Park  
Exeter  
EX1 3LH

**REGISTERED NUMBER:**

10980875 (England and Wales)

Scunthorpe Flexi Limited (Registered number: 10980875)

**Directors' Report  
for the Year Ended 31 December 2019**

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The directors present their report with the financial statements of the Company for the year ended 31 December 2019.

**PRINCIPAL ACTIVITY**

Scunthorpe Flexi Limited's principal activity is the investment in renewable energy projects at scale in order to make a positive and significant impact on the causes of climate change.

**REVIEW OF BUSINESS**

The operating loss for the year was £258 (2018: £nil).

Dividends of £nil (2018: £nil) were paid during the year.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

J M Alfonso  
I E Larivé  
S A Mack

**GOING CONCERN**

The directors believe that the Company is well placed to manage its business risks successfully. The directors have reviewed the impact of Covid-19 on the business and do not consider there to be a significant long-term impact on the activities of the company. Having reviewed the Company's current position and cash flow projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



.....  
J M Alfonso - Director

Date: 09th October 2020  
.....

**Income Statement  
for the Year Ended 31 December 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>		-	-
Development expenses		<u>(258)</u>	<u>-</u>
<b>OPERATING LOSS and LOSS BEFORE TAXATION</b>		(258)	-
Tax on loss	5	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><u>(258)</u></u>	<u><u>-</u></u>

**Scunthorpe Flexi Limited (Registered number: 10980875)**

**Balance Sheet  
31 December 2019**

	Notes	2019 £	2018 £
<b>CURRENT ASSETS</b>			
Debtors	6	1	1
<b>CREDITORS</b>			
Amounts falling due within one year	7	(258)	-
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>(257)</u>	<u>1</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(257)</u>	<u>1</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1	1
Accumulated losses		(258)	-
		<u>(257)</u>	<u>1</u>

The Company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 December 2019.

The members have not required the Company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 09th October 2020 and were signed on its behalf by:



.....  
J M Alfonso - Director

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31 December 2019**

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**1. GENERAL INFORMATION**

Scunthorpe Flexi Limited is a private limited company incorporated and domiciled in England and Wales. The address of the company's registered office is Oxygen House, Grenadier Road, Exeter Business Park, Exeter, EX1 3LH.

The principal activities of the company are focused on finding solutions to mitigate climate change. The principal accounting policies adopted by the company are set out in note 2.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in the functional currency of the Company, Pound Sterling (£), as this is the currency of the primary economic environment in which the Company operates. The financial statements are rounded to the nearest pound, except where otherwise indicated.

The Company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A;

- the requirements of Section 6 Statement of Changes in Equity and Statement of Income and Retained Earnings;
- the requirements of Section 7 Statement of Cash Flows; and
- the requirements of Section 33 Related Party Disclosures.

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

**Going Concern**

The directors believe that the Company is well placed to manage its business risks successfully. The directors have reviewed the impact of Covid-19 on the business and do not consider there to be a significant long-term impact on the activities of the company. Having reviewed the Company's current position and cash flow projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

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2. ACCOUNTING POLICIES - continued

**Financial instruments**

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments. The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors or creditors, loans from banks and other third parties, loans to or from related parties and investments in non-puttable ordinary shares.

**i. Financial Assets**

Basic financial assets, including trade and other receivables, and cash and bank balances, are initially recognised at transaction price.

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 income statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal 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.

**ii. Financial Liabilities**

Basic financial liabilities, including trade and other payables, bank loans, 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.

Debt instruments (other than those wholly repayable or receivable within one year) are subsequently carried at amortised cost, using the effective interest rate method. Debt instruments that are payable or receivable within one year are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

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

**iii. Offsetting**

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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 the liability simultaneously.

**Equity**

Equity comprises the following

- "Share capital" represents the nominal value of ordinary equity shares.
- "Accumulated losses" include all current results as disclosed in the income statement.

**Notes to the Financial Statements - continued**  
for the Year Ended 31 December 2019

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements in conformity with FRS 102 requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

**4. OPERATING LOSS**

The loss before income tax is stated after charging:

	2019 £	2018 £
Development expenses	257	-

**5. TAXATION**

**(a) Income tax on (loss)/profit**

Income tax charged in the income statement:

	2019 £	2018 £
<b>Current tax:</b>		
UK Corporation tax on the (loss)/profit for the year	-	-
<b>Deferred tax:</b>		
Current year	-	-
	-	-

**(b) Reconciliation of the total income tax charge**

The income tax expense in the income statement for the year differs from the standard rate of corporation tax in the UK of 19% (2018: 19.00%) The differences are reconciled below:

	2019 £	2018 £
Accounting (loss)/profit before taxation	(258)	-
At standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(49)	-
<b>Effects of:</b>		
Amounts not recognised	49	-
Income tax (benefit)/expense in statement of profit or loss	-	-

**(c) Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 20% to 19% took effect from 1 April 2017. A further reduction from 19% to 17% was substantially enacted in September 2016 and was due to take effect from 1 April 2020. However the 2020 Finance Bill published after the year end on the 19th March 2020 retains the corporation tax rate at 19% for financial years beginning 1 April 2020 and 1 April 2021. As deferred tax assets and liabilities are measured at the tax rates that are expected to apply in periods of reversal, the company has stated all deferred tax closing balances using a rate of 17%.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Amounts owed by group undertakings	<u>1</u>	<u>1</u>

Due to the nature of these receivables, the carrying value approximates their fair value.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Amounts owed to group undertakings	<u>258</u>	<u>-</u>

8. CALLED UP SHARE CAPITAL

	No.	2019	No.	2018
		£		£
Allocated, called up and fully paid				
Ordinary shares of £1 each	1	<u>1</u>	1	<u>1</u>

9. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year, the company received a loan of £257 (2018: £nil) to Low Carbon Ventures Limited, a fellow subsidiary of the Low Carbon Group. The loan is repayable on demand and does not attract interest. At the balance sheet date £257 (2018:£nil) remains outstanding, and is included in note 7.

10. POST BALANCE SHEET EVENTS

The outbreak of COVID-19 in January 2020 is considered to be a non-adjusting post balance sheet event.

The directors have reviewed the potential impact of the pandemic on the business, and do not consider there to be a significant impact on the long-term activities of the Company. The Company will continue to invest in renewable energy projects at scale, with limited disruption expected as a result of the outbreak. It is anticipated the Company will continue to receive support from its parent company, and the directors have a reasonable expectation that the group has adequate resources to continue in operation for the foreseeable future.

The directors consider there to be no significant long-term impact of COVID-19 on the ability of the company to continue as a going concern.

11. ULTIMATE CONTROLLING PARTY

The company's immediate parent undertaking is Low Carbon Flexible Generation Limited. The ultimate parent undertaking at 31 December 2019 is Oxygen House Group Limited, a limited company incorporated in England and Wales. The ultimate controlling party is Dr M Dixon.

The smallest group in which the company is consolidated and which publishes consolidated accounts is Low Carbon Limited, whose accounts can be obtained from; Oxygen House, Grenadier Road, Exeter Business Park, Exeter, EX1 3LH.

The largest group in which the company is consolidated and which publishes consolidated accounts is Oxygen House Group Limited, whose accounts can be obtained from; Oxygen House, Grenadier Road, Exeter Business Park, Exeter, EX1 3LH.