

Registration number: 10840310

NATURAL GENERATION HOLDINGS LIMITED

Filleted Annual Report and Financial Statements

for the Year Ended 31 December 2018



Natural Generation Holdings Limited

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Natural Generation Holdings Limited

Company Information

Directors	I Thomson DL Akers-Douglas BJA Hutt
Registered office	Unit 3 Cligga Industrial Estate St. Georges Hill Perranporth Cornwall TR6 0EB
Auditor	MHA Tait Walker Chartered Accountants & Statutory Auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

Natural Generation Holdings Limited

(Registration number: 10840310)
Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	4	206,333	-
Investments	5	<u>100</u>	<u>229,370</u>
		<u>206,433</u>	<u>229,370</u>
Current assets			
Debtors	6	333,776	80,156
Creditors: Amounts falling due within one year	7	<u>-</u>	<u>(333,504)</u>
Net current assets/(liabilities)		<u>333,776</u>	<u>(253,348)</u>
Total assets less current liabilities		540,209	(23,978)
Creditors: Amounts falling due after more than one year	7	<u>(540,000)</u>	<u>-</u>
Net assets/(liabilities)		<u>209</u>	<u>(23,978)</u>
Equity			
Called up share capital		100	100
Profit and loss account		<u>109</u>	<u>(24,078)</u>
Total equity		<u>209</u>	<u>(23,978)</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 23/09/19 and signed on its behalf by:



I Thomson
Director

The notes on pages 3 to 8 form an integral part of these financial statements.

Natural Generation Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is Unit 3 Cligga Industrial Estate, St. Georges Hill, Perranporth, Cornwall, TR6 0EB.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in sterling which is the functional currency of the entity.

Summary of disclosure exemptions

The Company has taken advantage of the exemption available under paragraph 33.1A of FRS 102 and does not disclose related party transactions with members of the same group that are wholly owned.

Group accounts not prepared

The company has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State.

Going concern

The company's forecasts and projections, taking into account reasonably possible changes in trading performance, show that the company is expected to have a sufficient level of financial resources available through its facilities. After making enquiries, 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 financial statements.

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Natural Generation Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10 years

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Debtors

Debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Natural Generation Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

2 Accounting policies (continued)

Creditors

Creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

3 Auditor's remuneration

	2018 £	2017 £
Audit of the financial statements	<u>1,250</u>	<u>1,250</u>

4 Intangible assets

	Goodwill £
Cost or valuation	
At 1 January 2018	-
Transferred from investments	<u>229,270</u>
At 31 December 2018	<u>229,270</u>
Amortisation	
At 1 January 2018	-
Amortisation charge	<u>22,937</u>
At 31 December 2018	<u>22,937</u>
Carrying amount	
At 31 December 2018	<u>206,333</u>
At 31 December 2017	<u>-</u>

Natural Generation Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

5 Investments

	2018 £	2017 £
Investments in subsidiaries	<u>100</u>	<u>229,370</u>
Subsidiaries		£
Cost or valuation		
At 1 January 2018		229,370
Transferred to goodwill		<u>(229,270)</u>
At 31 December 2018		<u>100</u>
Provision		
At 1 January 2018		<u>-</u>
At 31 December 2018		<u>-</u>
Carrying amount		
At 31 December 2018		<u>100</u>
At 31 December 2017		<u>229,370</u>

The cost of the company's investment in Aeolus Power (MOTs) Limited reflected the underlying fair value of the net assets and goodwill at the time of acquisition. As a result of the subsequent migration of the trade of Aeolus Power to Natural Generation Limited, the value of the company's investment in Aeolus Power fell below the amount at which it was stated in the books and records. Accordingly the investment should be written down and charged as a loss to the company however the directors consider that there has been no overall loss to the company and hence it would fail to give a true and fair view to charge the diminution and instead it should be reallocated to goodwill.

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2018	2017
Subsidiary undertakings				
Natural Generation Limited	Unit 3 Cligga Industrial Estate, St. Georges Hill, Perranporth, Cornwall, TR6 0EB	Ordinary	100%	100%
Aeolus Power (MOT's) Limited	Unit 3 Cligga Industrial Estate, St. Georges Hill, Perranporth, Cornwall, TR6 0EB	Ordinary	100%	100%

Natural Generation Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

5 Investments (continued)

The principal activity of Natural Generation Limited is that of the provision of renewable energy solutions.

The principal activity of Aeolus Power (MOT's) Limited is that of servicing wind turbines.

6 Debtors

	2018 £	2017 £
Amounts owed by group undertakings	333,776	74,864
Group relief receivable	-	5,292
	<u>333,776</u>	<u>80,156</u>
Less non-current portion	<u>(293,963)</u>	<u>-</u>
	<u>39,813</u>	<u>80,156</u>

Details of non-current trade and other debtors

£293,963 (2017 - £Nil) of amounts owed by group undertakings is classified as non current.

7 Creditors

Creditors: amounts falling due within one year

	2018 £	2017 £
Due within one year		
Amounts owed to group undertakings	-	333,504
	<u>-</u>	<u>333,504</u>

Creditors: amounts falling due after more than one year

	2018 £	2017 £
Due after one year		
Amounts owed to group undertakings	<u>540,000</u>	<u>-</u>

Natural Generation Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 (continued)

8 Related party transactions

Natural Generation Holdings Limited had a creditor of £540,000 (2017 - £333,504) due to Constantine Wind Energy Limited and a debtor of £100 (2017 - £100) due from Constantine Wind Energy Limited at the year end. The creditor represents funding received from Constantine Wind Energy Limited is unsecured and subject to interest at 5%. At 31 December 2018 the creditor was repayable after more than one year.

9 Parent and ultimate parent undertaking

The company is owned 80% by Constantine Wind Energy Limited, a company registered in England, which is ultimately controlled by Constantine Group Limited and Jemm Capital Limited in so much as they act in concert.

The only group in which the results of the company are consolidated is that headed by Constantine Wind Energy Limited, First Floor, River Court, The Old Mill Office Park, Mill Lane, Godalming, Surrey, GU7 1EZ. The consolidated accounts of this group are available to the public and may be obtained from Companies House.

10 Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 24 September 2019 was Christopher Potter BA(Hons) ACA, who signed for and on behalf of MHA Tait Walker. MHA Tait Walker is a trading name of Tait Walker LLP.