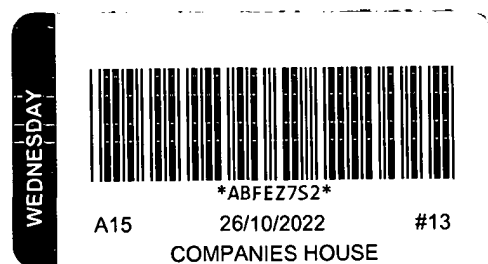


Solar Century Holdings Limited
Company Number 03570325

Annual Report - 31 March 2021



Solar Century Holdings Limited
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For the year ended 31 March 2021

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Solar Century Holdings Limited
Corporate directory
For the year ended 31 March 2021

Directors	David Flood Eivind Torblaa Birgitte Vartdal Emma Voss
Company Secretary	Joanne Munis
Registered number	03570325
Registered office	19th Floor, 22 Bishopsgate, London, England, EC2N 4BQ
Auditor	Deloitte LLP, Statutory Auditor, London, United Kingdom
Bankers	DanskeBank, ICB London, 75 King William Street, London, EC4N 7DT

Solar Century Holdings Limited
Strategic report
For the year ended 31 March 2021

The directors present their strategic report for the financial year ended 31 March 2021.

Principal activities

The principal activities of Solar Century Holdings Limited (the "Company") are the design, development, supply, installation, maintenance and ownership of Solar energy products and systems.

Strategy

The Company's strategy has been and continues to be to grow its development pipeline in Europe and Latin America, both in existing and new markets.

In November 2020, the Company was wholly acquired by Statkraft European Wind and Solar Holding AS ("Statkraft"). The company continues to follow the same strategy but within the context of its new ownership, including changes in geographical focus with the exit or planned exit of certain markets, and a change in financing strategy for the future pipeline of solar development projects. The company's African business was wholly acquired by BB Energy in December 2020.

Review of business

The loss for the financial year, after taxation, is £4,451,010 (2020: profit of £11,026,000).

Revenue for the period has decreased from £176,314k in 2020 compared to £142,308k in 2021 which represents a drop of 20% mainly driven by reduced revenues received from intercompany services. Improved costs of £143,619k in 2020 compared to £111,803k in 2021 has ensured that gross margin has only seen a small reduction by 3%.

The company is in a net asset position and expects to remain so for the foreseeable future.

The decrease in profit compared to the prior year is principally due significant costs borne by the company in relation to the impending sale to Statkraft European Wind and Solar Holding AS ("Statkraft").

Future outlook

The primary purpose of the company going forward will be a holding company for subsidiaries and joint ventures. The company will continue to develop, construct, operate and maintain solar assets through subsidiaries and joint ventures, as well as providing management services to these entities.

Corporate social responsibility

The Company strives to achieve an open and constructive dialogue with all stakeholders and is working to develop the Company in a manner which increases the value for the ultimate parent and the local communities in which the Company operates through its subsidiaries and joint ventures.

The Company takes the health & safety of all of its stakeholders very seriously and has in place well defined policies for monitoring and mitigating safety risks. During the year, there were no serious injuries or fatalities involving employees of the Company.

Section 172 statement

In accordance with section 172(1) of the Companies Act 2006, the Directors recognise their duty to act in good faith and in a way that would most likely promote the success of the company for the benefit of its members as a whole. In doing so, the Directors consider that all their decisions are taken with the long-term in mind and with a regard (amongst other matters) to various other stakeholder interests including the key factors set out below:

- The likely consequences of any decision in the long term,
- The interests of the company's employees,
- The need to foster the company's business relationships with suppliers, customers and others,
- The impact of the company's operations on the community and the environment,
- The desirability of the company maintaining a reputation for high standards of business conduct,
- and The need to act fairly as between members of the company.

Section 172 statement (continued)

The Company takes into consideration the group values, strategy, ambition, sustainability and HSSE of the Statkraft Group. In carrying out their duties, the Directors have in mind the governing principles of the Statkraft Group in its decision making, and day-to-day and long term management of the company.

The strategic matters of the company which require a decision by the Directors are presented at Board meetings or other formal communication. Directors are provided with the necessary background information to support any proposal, together with associated costs, benefits, risks and potential impact on its strategic direction, stakeholders, the community and environment. These factors are taken into account before reaching a final decision which they believe to be in the best interest of the Company and its members.

When performing their duty to act in a way most likely to promote the success of the Company for the benefit of its members as a whole the directors have.

Principal risks and uncertainties

The management of risks is based on a balance of risk and reward determined through careful assessment of both the potential likelihood and impact:

- The Company faces a risk of reputational damage to itself and its ultimate parent, Statkraft SF. The Company ensures that all its investments operate in a manner appropriate to the values of the ultimate parent company.
- There is a risk that projects do not reach planning consent or do not achieve the required returns. The company makes investments, during the development, through the stage gate decision model which minimises development costs in line with Statkraft's risk management policies.
- There is a risk that Solar Century Holdings Limited cannot complete projects to plan, leading to costs exceeding plan and reducing return on investments. The Company, through its various subsidiaries, monitors all projects closely to ensure that they are delivered according to plan.
- The transition to a low-carbon economy will entail extensive policy, legal, technology, and market changes, with the potential to have a significant impact on the Company's subsidiary and joint venture companies. Even considering that the Company's portfolio and strategy are well adapted to a low-carbon future, the company still has significant exposure to various climate-driven transition risks.
- The key operating risk remains the Company's ability to convert development projects that are close to 'Ready To Build' ('RTB') and to reach Financial Close ('FC') whereby project finance lenders (including Statkraft) agree to provide capital to construct the plants. In order to mitigate this risk the Company has continued to invest in an experienced development team to bring projects to RTB status.

Operational and other risks

COVID-19

Whilst the COVID-19 pandemic continues to impact countries globally, in general, the energy generation and supply sector has not faced significant disruption. Although the first lockdown resulted in some impact on power prices; subsequent lockdowns and restrictions have not had the same impact with power prices now increased.

The Company will continue to monitor and update risk assessment and measures in line with the governments recommendations and guidelines, as well as with the industry's practice, but to date COVID-19 has not had a material impact.

Solar Century Holdings Limited
Strategic report (continued)
For the year ended 31 March 2021

Operational and other risks (continued)

Russian invasion of Ukraine

Russia invaded Ukraine on 24th February 2022. The invasion has brought increased geopolitical risks to the global energy markets. The Company's liquidity risk as well as the counterparty risk has been reviewed in light of the new situation. The company has ensured that no operations are in breach with the relevant sanctions set out by the EU or other authorities.

The Company does not have operations nor employees in Russia or Ukraine and has not been impacted by the Russian invasion of Ukraine.

Management will continue to monitor the situation and adapt to market conditions going forward.

The directors, in preparing this report, have complied with s414C of the Companies Act 2006.

Approved by the Board of directors and signed on behalf of the Board.

David Flood

David Flood
Director

Date: 26/10/2022
London

Solar Century Holdings Limited
Directors' report
For the year ended 31 March 2021

The directors present their report and the audited financial statements of the Company for the financial year ended 31 March 2021.

Company information

Solar Century Holdings Limited is a limited Company incorporated and domiciled in England & Wales (Registered Number: 03570325). The registered office is located at 19th floor, 22 Bishopsgate, London, England. The company also operates a branch in Spain with a registered office located at Calle Pintor Sorolla 3, Floors 10 & 11, 46002-Valencia, Spain.

The immediate parent undertaking of Solar Century Holdings Limited is Statkraft European Wind and Solar AS, a company incorporated in Norway and registered address Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway. The largest group to consolidate these financial statements is Statkraft SF, a company incorporated in Norway and registered address Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway.

Statkraft SF owns Statkraft AS and is the ultimate controlling party of Solar Century Holdings Limited.

The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the financial statements of Statkraft AS, a Company registered in the Norway. Statkraft SF owns Statkraft AS and is the ultimate controlling party and parent of Solar Century Holdings Limited. Both of the group financial statements can be obtained from their registered offices which are at Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway or www.statkraft.com.

Results and dividends

The loss for the financial year, after taxation, is £4,451,000 compared to the profit after taxation (2020: £11,026,000).

There were no dividends paid, recommended or declared during the current or previous financial year.

Directors

The directors of the Company who held office during the financial year and up to the date of signing these financial statements were:

David Flood	(appointed on 11 May 2021)
Eivind Torblaa	(appointed on 10 November 2021)
Birgitte Vartdal	(appointed on 27 November 2020)
Emma Voss	(appointed on 11 May 2021)
Erlend Broli	(appointed on 27 November 2020, resigned on 11 May 2021)
Thomas Geiran	(appointed on 27 November 2020, resigned on 11 May 2021)
Stefan-Jörg Gobel	(appointed on 27 November 2020, resigned on 11 May 2021)
Marit Grimsbo	(appointed on 27 November 2020, resigned on 11 May 2021)
Derrick Allan	(resigned on 27 November 2020)
Andreas Eggenberg	(resigned on 27 November 2020)
Frans Van Den Heuvel	(resigned on 4 May 2021)
Jeremy Leggett	(resigned on 27 November 2020)
Justin Mighell	(resigned on 27 November 2020)
Neil Perry	(resigned on 27 November 2020)
Samer Salty	(resigned on 27 November 2020)
Patricia Splinter	(resigned on 27 November 2020)
Gary Le Sueur	(resigned on 27 November 2020)

Solar Century Holdings Limited
Directors' report (continued)
For the year ended 31 March 2021

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the financial year and remain in force at the date of this report.

The following directors held interests in the Company at 31 March 2021:

	2021	2020
	Number of	Number of shares
J K Leggett	-	3337
N G Perry	-	2316
F H N van den Heuvel	-	2500

Charitable and political

A charitable donation of £1,000,000 (2020: £896,000) has been accrued to be paid to SolarAid at the end of the current year. There have been no political contributions within the current year or prior year.

Going concern

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of resources available to the Company and current market conditions and concluded that it is appropriate.

The Company is in a net asset position. Considering all relevant factors, including review of the Company's cash flow and relationship with its shareholder which cover a period of at least 12 months from date of approval of these financial statements, the Directors have reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 2 to the financial statements while further details of the future outlook of the Company can be found in the Strategic Report.

Events after the reporting period

On 21 April 2021, the Company's shares were transferred from Statkraft AS to Statkraft European Wind and Solar Holding AS.

Subsequently on 19th October 2021 33,506,670 Ordinary Shares of £1 each of capital was injected into SCH Projects Limited.

On 11 June 2021 the board approved the dissolution and liquidation of the Company's Greek Subsidiary Solarcentury Services Greece Single Member S.A., along with the appointment of the liquidator.

On 15 July 2021 the board approved the sale of shares in Tika Solar S. de R.L. de C.V (the Company's subsidiary in Mexico) to RWE Renewables International Participation B.V.

On 29 July 2021 the board approved equity injections of various amounts, to be received by the Company, from its shareholder and distributed to and recorded as, an increase in equity in the books of the Subsidiaries amounting to £33,506,670.

On 17 August 2021 the board approved the transfer of all shares in Solarcentury Italia S.r.l to Statkraft European Wind and Solar Holdings AS.

On 16 December 2021 the board approved the share transfer of Solarcentury Benelux B.V. to Statkraft Markets B.V. and for the company to be renamed Statkraft Renewables Benelux B.V.

Other than events referred to above, no matter or circumstance has arisen since 31 March 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Solar Century Holdings Limited
Directors' report (continued)
For the year ended 31 March 2021

Disclosure of information to the auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

The auditors, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board of Directors and signed on its behalf by:

David Flood

David Flood
Director

Date 26/10/2022

Solar Century Holdings Limited
Directors' responsibilities statement
For the year ended 31 March 2021

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 company and of the profit and loss of the company for that year. 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 101, 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 also 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 responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclosure 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.

Solar Century Holdings Limited

Independent auditor's report to the members of Solar Century Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Solar Century Holdings Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31st March 2021 and of its loss for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of profit or loss and other comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1-34.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Other information (continued)

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the documentation of the policies and procedures relating to fraud and compliance with laws and regulations established by the company's parent. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the area of revenue recognition, specifically the accuracy of accrued and deferred revenue. To address this risk we assessed the final profit margins on key projects and how accrued and deferred revenue unwound subsequent to the balance sheet date. We also agreed a sample of revenue transactions to invoice and bank statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Solar Century Holdings Limited

Independent auditor's report to the members of Solar Century Holdings Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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
- We have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

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 auditor's 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.

D. Winstone

Daryl Winstone FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, UK

26 October 2022

Solar Century Holdings Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2021

	Note	2021 £'000	2020 £'000
Revenue	4	142,308	176,314
Cost of sales		(111,803)	(143,619)
Gross profit		30,505	32,695
Expenses			
Depreciation and amortisation expense	5	(854)	(776)
Administrative expenses	6/7/8	(32,565)	(17,209)
Operating (loss)/profit		(2,914)	14,711
Finance income	9	313	629
Finance costs	10	(642)	(611)
Disposal of investment		(351)	-
(Loss)/Profit before income tax expense		(3,594)	14,729
Income tax expense	11	(857)	(3,702)
(Loss)/Profit for the year		(4,451)	11,026
Other Comprehensive income/(loss)			
Translation to presentation currency		(694)	-
Total comprehensive income for the year		(5,145)	11,026

All amounts are derived from continuing operations.

Solar Century Holdings Limited
Statement of financial position
As at 31 March 2021

	Note	2021 £'000	2020 £'000
Non-current assets			
Tangible fixed assets	14	194	323
Intangible assets	13	50	48
Investments in subsidiaries	16	221	471
Long term receivables	19	5,465	-
Right of use assets	15	459	938
Deferred tax asset	12	518	549
		<u>6,907</u>	<u>2,329</u>
Current assets			
Inventories and development costs	17	1,233	287
Trade and other receivables	18	50,104	72,065
Derivative financial instruments	30	-	513
Cash and cash equivalents	20	77,831	33,356
		<u>129,168</u>	<u>106,221</u>
Current Liabilities			
Trade and other payables	21	31,961	64,027
Lease liabilities	24	530	417
Provisions	23	57	749
		<u>32,548</u>	<u>65,193</u>
Net current assets		<u>96,620</u>	<u>41,028</u>
Total assets less current liabilities		<u>103,527</u>	<u>43,357</u>
Non-current liabilities			
Lease liabilities	24	-	539
Non-current provisions	25	785	166
		<u>785</u>	<u>705</u>
Net assets		<u>102,742</u>	<u>42,652</u>
Equity			
Share premium	27	29,077	29,077
Share capital	26	60,037	37
Own shares	27	-	(955)
Foreign currency translation reserve		(694)	-
Retained earnings	28	14,322	14,493
Total equity		<u>102,742</u>	<u>42,652</u>

Solar Century Holdings Limited's registered number is 03570325. The financial statements on pages 14 to 38 were approved and authorised for issue by the Board of directors and were signed on its behalf by:

David Flood

David Flood
Director

Date 26/10/2022

Solar Century Holdings Limited
Statement of changes in equity
For the year ended 31 March 2021

	Share capital	Share premium	Own shares	Foreign currency translation reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2019	37	29,077	(955)	-	3,256	31,415
Adjustment for application of IFRS 16	-	-	-	-	67	67
Balance at 1 April 2019 - restated	37	29,077	(955)	-	3,323	31,482
Profit after income tax for the year	-	-	-	-	11,026	11,026
Other comprehensive income for the year, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	11,026	11,026
Share-based payments (note 32)	-	-	-	-	144	144
At 31 March 2020	37	29,077	(955)	-	14,493	42,652

	Share capital	Share premium	Own shares	Foreign currency translation reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	-	£'000
Balance at 1 April 2020	37	29,077	(955)	-	14,493	42,652
Translation to presentation currency	-	-	-	(694)	-	(694)
Profit after income tax for the year	-	-	-	-	(4,451)	(4,451)
Total comprehensive income for the year	-	-	-	(694)	(4,451)	(5,145)
Shares issued	60,000	-	-	-	-	60,000
Own shares	-	-	955	-	-	955
Share based payments (Note 32)	-	-	-	-	4,280	4,280
At 31 March 2021	60,037	29,077	-	(694)	14,322	102,742

Solar Century Holdings Limited
Notes to the financial statements
For the year ended 31 March 2021

1. Corporate information

Solar Century Holdings Limited is a limited Company incorporated and domiciled in England & Wales (Registered Number: 03570325). The registered office is located at 19th floor, 22 Bishopsgate, London, England. The nature of the Company's operations and its principal activities are set out in the Strategic report on page 3.

The principal activity of Solar Century Holdings Limited (the "Company") is to develop, construct, operate and maintain electricity generation assets through its subsidiaries and joint ventures. The Company also provides management services to these entities.

The immediate parent undertaking of Solar Century Holdings Limited is Statkraft European Wind and Solar AS, a company incorporated in Norway. The largest group to consolidate these financial statements is Statkraft SF, a company incorporated in Norway.

Statkraft SF owns Statkraft AS and is the ultimate controlling party of Solar Century Holdings Limited.

The financial statements contain information about the Company as an individual Company and do not contain consolidated financial information as parent of a group.

The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the financial statements of Statkraft AS, a Company registered in the Norway. Statkraft SF owns Statkraft AS and is the ultimate controlling party and parent of Solar Century Holdings Limited. Both of the group financial statements can be obtained from their registered offices which are at Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway or www.statkraft.com.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of Solar Century Holdings Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101. The prior year comparative numbers for the Company were prepared under IFRS.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council as the results of the Company are consolidated into the financial statements of Statkraft AS which are publicly available, in the year ended 31 March 2021, the Company has undergone transition from reporting under IFRS to FRS 101 as issued by the Financial Reporting Council.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK adopted International accounting Standards ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

These financial statements are prepared on a going concern basis, under the historical cost convention except derivatives and share based payments measured at fair value, and in accordance with the Companies Act 2006 and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures';
- Paragraphs 91-99 of IFRS 13, 'Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of Financial Statements' - comparative information requirements in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16, 'Property, plant and equipment';
 - paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period); and
 - paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The following paragraphs of IAS 1, 'Presentation of Financial Statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 111 (statement of cash flows information); and
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of Cash Flows';
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- The requirements of paragraph 52 of IFRS 16 Leases; and
- The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total.

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

2.2 Going concern

The Company's business activities, together with the factors likely to affect its future development and performance set out in the Strategic Report and the Directors Report. The financial position of the Company is disclosed on page 14.

The Company is in a net asset position. Considering all relevant factors, including review of the Company's cash flow and relationship with its shareholder which cover a period of at least 12 months from date of approval of these financial statements, the Directors have reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Directors have also considered the impact of COVID-19 on going concern and expect any future impact on the Company to be low. There has not been material impact in prior periods.

The directors have therefore concluded that the use of the going concern assumption remains appropriate.

2.3 Foreign currency translation

The financial statements are presented in Pound sterling. The Company's functional currency is sterling. The Company has a branch whose functional currency is Euro. Movement between the functional currency and reporting currency are presented as other comprehensive income within the accounts.

Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

Foreign operations

The Company operates a foreign branch where the assets and liabilities of the branch are denominated in Euros and are translated at foreign exchange rates ruling at the balance sheet date. Revenues and expenses of foreign operations are translated at average foreign exchange rates for the period.

2.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Revenue from contracts with customers

Revenue from contracts with customers that meets the correct criteria is recognised in line with IFRS 15. Development income is generally not recognised in line with IFRS 15, depending on the terms of the contract (see below).

The standard provides a single standard for revenue recognition. The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

2.4 Revenue recognition (continued)

The Company follows a five step approach when a new contract is entered into: identify the contract and performance obligations within, determine the transaction price, allocate the transaction price to the separate performance obligations and recognition of revenue when each performance obligation is satisfied.

The majority of the Company's contracts meet the criteria laid out in IFRS 15 to be recognised over time using either the input (cost incurred) or output (progress of the contract) method. For these contracts, revenue is calculated by comparing the costs incurred to the total expected cost of fulfilling the contract.

On an ongoing basis, all large contracts as well as those that deviate from the normal contractual arrangements entered into by the Company are reviewed and an IFRS 15 assessment is carried out.

The revenue figure for the year includes the full balance of deferred revenue recognised in the prior year statement of financial position.

Revenue from contracts with customers (continued)

Accrued and deferred revenue arise from differences between the satisfaction of performance obligations and the payment milestones included within the contracts with customers.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Development Income

Development income consists of the sale of completed development projects. The sale of these projects will normally consist of a Share Purchase Agreement (SPA) for the sale of the Special Purpose Vehicle, as well as a Development Services Agreement (DSA).

In line with IFRIC guidance, the Company accounts for these sales which combine a DSA and SPA under IFRS 10, by measuring the consideration received within non-IFRS 15 revenue. The net assets disposed are accounted for as cost of sales and the revaluation gain or loss of the remaining holding (if any) as non-IFRS 15 revenue given the development and subsequent disposal of projects is one of the key activities of the Company.

If, subsequently, an Engineering, Procurement and Construction contract (EPC) is entered into, the accounting for this stage of this transaction will follow the accounting set out in IFRS 15 (see above).

Development income received which does not combine an SPA and DSA will be recognised under IFRS 15. This will either be recognised at a point in time or over time, depending on the underlying contractual agreement.

Residential Income

Residential revenues are recognised in line with IFRS 15. The contracts generally consist of two milestones, being the installation and commissioning of projects. Delays in the commissioning of the projects which are outside the control of the Company will result in a proportion of the revenue being accrued until such point as the project is operational.

Costs are accrued for using historical average costs until such point as the sub-contractors have invoiced the Company.

Finance income

Finance income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

2.5 Borrowing and finance costs

Borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

Costs arising from other financial instruments are recognised according to the nature of the instrument as described under financial liabilities and derivative instruments below.

2.6 Taxation

The tax charge represents the sum of current and deferred tax, and is charged or credited to the statement of profit or loss or statement of other comprehensive income as appropriate, except when it relates to items credited or charged directly to equity in which case the tax is also dealt with in equity.

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted as at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and those used for tax purposes. Deferred tax is accounted for using the balance sheet liability method and is calculated using the enacted or substantively enacted rates that are expected to apply when the asset or liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.7 Operating profit

Operating profit is stated before investment income and finance costs.

2.8 Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly-liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2. Significant accounting policies (continued)

2.10 Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised 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. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired.

Expected credit losses are applied to ageing Company based on historical default rates. Management have used the credit ratings of the most significant customers as an approximation of the probability of default, which was then applied to the quantum of probable loss in case of default.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.11 Inventories and development costs

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

The cost of purchased inventory comprises the purchase price of the items, net of trade discounts and rebates received, irrecoverable import duties and other material costs directly attributable to the acquisition of the items. The cost of manufactured inventory comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Gains or losses on translation of foreign currency payments against inventory purchases are not included within inventory value but are expensed separately in the period incurred.

The costs relating to early-stage development opportunities are recognised in the statement of profit or loss until such point as the Company's Investment Committee is confident that the economics of the underlying project are viable and the project expenditure is approved by the Committee on the basis of its recoverability. After this point, all development activity relating to the project is capitalised as work in progress.

Where multiple inventory items of the same type are accumulated over time, the first-in, first-out (FIFO) method is used to value the line of items.

2.12 Derivative financial instruments

The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risk. The Company does not enter into speculative derivative contracts. Details of the Company's derivative financial instruments are disclosed in note 28.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in the statement of profit or loss immediately. The Company records the exchange gain or loss recognised within the overall foreign exchange gains and losses in the statement of profit or loss. Fair values are obtained by marking to market against identical or (where not practicable) similar instruments.

A derivative is presented as a current asset or current liability if the remaining maturity of the instrument is less than 12 months and/or it is expected to be realised or settled within 12 months.

2. Significant accounting policies (continued)

2.13 Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Any other financial assets are recognised at amortised cost in line with IFRS 9.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Investments in wholly-owned subsidiaries are accounted for at cost, in line with IAS 27. All other investments held by the Company are designated as Fair Value through Other Comprehensive Income and are revalued annually, with any movements being recognised in other comprehensive income.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through statement of profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through statement of profit or loss.

2. Significant accounting policies (continued)

2.14 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, over the following periods:

Leasehold improvements	5 years
Computer equipment	2-4 years
Fixtures and fittings	3-7 years
Intangibles	2-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to statement of profit or loss.

2.15 Assets under construction

Once a project has reached financial close and construction commences, any development asset balances recognised are transferred to assets under construction.

All construction costs are subsequently capitalised within assets under construction.

2.16 Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to statement of profit or loss as

2.17 Intangible assets

Computer software

Computer software is depreciated on a straight-line basis over 2-4 years.

Impairment of tangible and intangible assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount by reference to the cash-generating unit in which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

2. Significant accounting policies (continued)

Impairment of tangible and intangible assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.18 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of the end of the month of recognition.

2.19 Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

2.20 Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.21 Provisions

Provisions are recognised under IAS 37 Provisions, Contingent Liabilities and Contingent Assets when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the fair value of the expenditure required to settle the obligation at the balance sheet date.

Provisions are currently recognised by the Company in respect of guarantees and warranties granted to customers. Management estimates of expected future expenditure under these warranties are supported by internal data and established industry failure mode analyses.

The Company also recognises provisions in respect of its obligation to return leasehold properties to the required condition on termination of those leases. Such provisions are based on management estimates of the costs to be incurred.

2.22 Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Pensions

Pension costs charged in the financial statements represent the contributions payable by the Company into employees' private pension schemes. The contributions payable in the year are recognised as an expense. Differences between contributions payable in the year and contributions actually paid are accounted for as accruals or prepayments in the statement of financial position.

2. Significant accounting policies (continued)

2.22 Finance costs (continued)

Share-based payments

The Company has applied the requirements of IFRS 2 Share-based Payment in respect of its Employee Benefit Trust ("EBT") and Ordinary B share issues. In accordance with the transitional provisions, IFRS 2 has been applied to all grants of equity instruments on or after 1 April 2006.

The Company issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the estimates of shares that will eventually vest.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

In assessing such fair value, the directors have taken into account the following factors: the economic value of ordinary shares in the Company, using listed comparator companies as a guide (with an appropriate discount for the Company being an unlisted entity); an assumption that the fair value is at least equal to the net asset value; the liquidation and exit preferences attributable to the Preference Shares; together with an appropriate adjustment for vesting restrictions.

The EBT is consolidated and the investment held in own shares taken against reserves.

The Ordinary B shares issued during the year constitute an equity-settled share based payment. The fair value at the date of issue has been subject to valuation by an independent expert for the purposes of IFRS 2.

2. Significant accounting policies (continued)

2.23 Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.24 Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.25 Value-Added Tax ('VAT') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the tax authority.

2.26 Rounding of amounts

Amounts in this report have been rounded off to the nearest thousand pounds, or in certain cases, the nearest pound.

3. Critical accounting judgements, estimates and assumptions

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that are likely to have a material impact on the carrying amounts of assets and liabilities within the next financial year, are disclosed below. There are no critical accounting judgements.

Key Source of estimation uncertainty

Revenue from contracts with customers

A significant portion of the Company's revenue arises from contracts with customers, which are accounted for under IFRS 15. In the event that a contract meets the criteria laid out in the standards, recognition will be over time, calculated using the input method (being costs incurred as a proportion of the total costs expected to be incurred in fulfilling the performance obligations set out by the contract). There is inherent uncertainty that the total costs expected to be incurred to fulfil the Company's performance obligation may change during the course of the contract, although the Company does review the expected cost on a monthly basis.

Solar Century Holdings Limited
Notes to the financial statements (continued)
2021

4. Revenue

	2021 £'000	2020 £'000
Revenue from contracts with customers, recognised in line with IFRS 15	142,308	176,314
Total Revenue from contracts with customers	142,308	176,314
<i>Share of total revenue by market</i>		
United Kingdom	22,569	48,154
Spain	119,739	128,160
Total Revenue	142,308	176,314

5. Depreciation and amortisation

	2021 £'000	2020 £'000
Depreciation of property, plant and equipment	284	176
Amortisation of intangible assets	111	152
Depreciation of right-of-use assets	459	448
Total depreciation and amortisation expense	854	776

6. Staff costs

The average number of employees (including executive directors) during the year was as follows:

	2021 £'000	2020 £'000
Average number of employees	121	122

The employee benefits expense during the year was as follows:

	2021 £'000	2020 £'000
Wages and salaries	8,702	7,252
Social security costs	1,454	1,201
Pension costs	315	323
Share-based payments	4,821	150
Total employee benefits expense	15,292	8,926

7. Directors' remuneration

	2021 £'000	2020 £'000
Aggregate remuneration in respect of qualifying services	3,110	883
Aggregate amounts of contributions to pension schemes in respect of qualifying services	193	14
Highest paid director - aggregate remuneration	1,003	364
Highest paid director - pension scheme contribution	28	12

As disclosed in Note 32, a share-based payment of £4,820,905 (2020: £150,000) has been recognised in the year.

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

8. Operating (Loss)/profit

The following items have been included in arriving at operating (loss)/profit:

	2021 £'000	2020 £'000
Fees payable to the Company's auditor for the audit of the Company's annual report and financial statements	27	25

9. Finance income

	2021 £'000	2020 £'000
Loan interest received	313	629
	313	629

The principle source of finance income has been a loan facility provided to a number of entities within the group companies as identified in note 14.

10. Finance costs

	2021 £'000	2020 £'000
Bank interest paid	541	-
Interest expense on finance lease liability	45	-
Interest expense on brought forward contingent consideration	-	608
Other finance costs	56	3
	642	611

The main finance cost incurred in the year has been the interest paid on money on loan facility. The prior year interest expense relates to the unwinding of discounts applied to settled contingent consideration payable in the prior year.

A €27.7m loan facility was available within the period from Natwest, this facility was fully repaid by the end of the year.

11. Income tax expense

Corporation tax is calculated at 19% (2020: 19%) of the estimated assessable profit for the year.

	2021 £'000	2020 £'000
<i>Income tax expense</i>		
UK corporation tax	993	3,624
Group relief (current year)	-	79
Corporation tax (prior year refund)	(136)	-
	857	3,702

Aggregate income tax expense

Numerical reconciliation of income tax expense and tax at the statutory rate:

Profit before income tax expense	(3,594)	14,729
Tax at the statutory tax rate of 19% (2020: 19%)	(683)	2,798

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

11. Income tax expense (continued)

Tax effect amounts which are not deductible/(taxable) in calculating taxable income	1,676	904
Adjustment to tax charge in respect of previous years	(136)	-
Income tax expense	<u>857</u>	<u>3,702</u>

Deferred tax assets are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates in the relevant territory that have been enacted or substantially enacted at the balance sheet date.

12. Deferred tax

	Fixed assets	Other assets	Tax losses	Retirement benefits	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 April 2020	250	187	111	1	549
(Charge)/credit in the year	-	-	-	-	-
Exchange differences	(31)	-	-	-	(31)
Balance as at 31 March 2021	<u>219</u>	<u>187</u>	<u>111</u>	<u>1</u>	<u>518</u>

At the balance sheet date, the Company had gross temporary and timing differences amounting to £nil (2020: £1,200,000) available for offset against future taxable profits for which deferred tax has not been recognised. These assets have not been recognised as the future taxable profits in the relevant entities cannot accurately be predicted at this time.

In the March 2021 Budget, it was announced that legislation will be introduced in Finance Bill 2021 to increase the main rate of UK corporation tax from 19% to 25%, effective 1 April 2023. At 31 December 2021, the relevant UK deferred tax assets and liabilities included in these financial statements were based on the increased rate having regard to their reversal profiles. There is no impact from the Finance Act 2022 being enacted within the year.

13. Intangible assets

	2021	2020
	£'000	£'000
Software - at cost	1,364	1,620
Less: Accumulated amortisation	(1,314)	(1,572)
	<u>50</u>	<u>48</u>

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Software	Total
	£'000	£'000
Balance at 1 April 2020	50	48
Balance at 31 March 2021	<u>50</u>	<u>48</u>

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

14. Property, plant and equipment

	Leasehold improvements £'000	and fittings £'000	Computer equipment £'000	Total £'000
<i>Cost</i>				
At 1 April 2020	339	679	738	1,756
At 31 March 2021	325	181	518	1,024
<i>Accumulated depreciation and impairment</i>				
At 1 April 2020	164	647	622	1,433
At 31 March 2021	223	152	455	830
<i>Net carrying amount</i>				
At 1 April 2020	175	32	117	323
At 31 March 2021	102	29	63	194

15. Right-of-use assets

	Premises £'000	Vehicles £'000	Office equipment £'000	Total £'000
<i>Cost</i>				
At 1 April 2020	1,241	55	91	1,387
Disposals during the year	(333)	(35)	(19)	(387)
As at 31 March 2021	908	20	72	1,000
<i>Accumulated depreciation and impairment</i>				
At 1 April 2020	417	13	18	448
Charge during the year	402	38	18	458
Disposals during the year	(330)	(35)	-	(365)
As at 31 March 2021	489	16	36	541
<i>Net carrying amount</i>				
At 31 March 2020	824	42	73	938
At 31 March 2021	419	4	36	459

16. Investments

	2021 £'000	2020 £'000
<i>Cost</i>		
At 1 April	586	117
Additions during the year	49	469
Disposals during the year	(299)	-
At 31 March	336	586
<i>Provision for impairment</i>		
At 1 April	115	-
Additions during the year	-	115
Disposals during the year	-	-
At 31 March	115	115
<i>Net Book value</i>	221	471

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

16. Investments (continued)

In the prior year, the Company recognised an impairment of £115,000 against its investments in Solarcentury East Africa Limited, Solarcentury Panamá S.A., and Solarcentury Africa PTY Limited.

During the prior year, the Company disposed of its investment in Solarcentury Generation Limited and its subsidiaries. The carrying value of this investment was £1.

List of subsidiaries

Name	Principal place of business	Principal activities	Ownership
SCH Projects Limited	United Kingdom	SPV holding company	100%
Solar Century Desutschland GmbH	Germany	SPV holding company	100%
Solarcentury Benelux B.V.	Netherlands	Development & construction	100%
Solarcentury Chile SpA	Chile	Development & construction	100%
Solarcentury Projects SpA	Chile	SPV holding company	100%
Solarcentury Italia S.R.L.	Italy	Development & construction	100%
Solarcentury Services France S.A.S.	France	Development & construction	100%
SolarProject Staat Vast I	Greece	SPV holding company	100%
SolarProject Staat Vast II	Greece	SPV holding company	100%
Solar Century Argentina Holdco 5	England & Wales	Development & construction	100%
Solarcentury Africa Limited	England & Wales	Development & construction	100%
Solarcentury Panama S.A.	Panama	Development & construction	100%
SolarProject SC I	Greece	Development & construction	85%
SolarProject SC II	Greece	Development & construction	85%
SolarProject SC III	Greece	Development & construction	85%
Solarcentury México S. de R.L. de C.V.	Mexico	Development & construction	50%
AK Kin Green Power Park	Greece	Development & construction	10%
Ananda Solar S de RL de CV	Mexico	Development & construction	10%
Lirio Soalr S de RL de CV	Mexico	Development & construction	10%
Malinche Solar S de RL de CV	Mexico	Development & construction	10%
Tika Solar S de RL de CV	Mexico	Development & construction	10%

Solar Century Holdings Limited, the parent undertaking, has provided a guarantee under section 479C of the Companies Act (2006),

17. Inventories and development costs

	2021	2020
	£'000	£'000
Development costs	1,449	261
Less: Provision for impairment	(216)	-
	<u>1,233</u>	<u>261</u>
Components	-	608
Less: Provision for impairment	-	(582)
	<u>-</u>	<u>26</u>
	<u>1,233</u>	<u>287</u>

Management undertake regular reviews for impairment based on the status of the underlying projects to which the amounts capitalised relate to.

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

18. Trade and other receivables

	2021	2020
	£'000	£'000
Trade receivables	498	337
Less: allowance for expected credit losses	(95)	(111)
	<u>403</u>	<u>226</u>
Amounts due from subsidiary undertakings	38,538	40,480
Accrued revenue	2,884	14,745
Prepayments	1,224	12,348
Other receivables	7,055	4,266
	<u>50,104</u>	<u>72,065</u>

Amounts owed from group undertakings are interest free and payable upon request.

19. Long term receivables

	2021	2020
	£'000	£'000
Amounts due from subsidiary undertakings	<u>5,465</u>	<u>-</u>

20. Cash and cash equivalents

	2021	2020
	£'000	£'000
Cash and cash equivalents	<u>77,831</u>	<u>33,356</u>

Cash and cash equivalents comprise cash held by the Company, current account bank balances and treasury deposits accessible at short notice. The carrying amount of these assets equates to their fair value.

21. Trade and other payables

	2021	2020
	£'000	£'000
Trade payables	1,255	44,476
Deferred Revenue	6,302	49
Amounts owed to subsidiary undertakings	14,674	11,170
Other payables and accruals	9,175	7,304
Taxation and social security	555	1,028
	<u>31,961</u>	<u>64,027</u>

Amounts owed to group undertakings are interest free and payable upon request.

22. Income tax

	2021	2020
	£'000	£'000
Corporation tax payable	<u>857</u>	<u>3,702</u>

23. Current provisions

	2021	2020
	£'000	£'000
Warranty	35	159
Penalty performance	22	377
Dilapidation	-	213
	<u>57</u>	<u>749</u>

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

23. Current provisions (continued)

Warranty Provision

The warranty provision represents the fair value of the Company's liability under warranties granted to customers. Within the

Penalty Performance Provision

The penalty performance provision represents the fair value of the Company's liabilities under performance obligation contracts with customers, which are payable when the contractual minimum performance of projects is not met.

24. Lease liabilities

Lease liabilities have been split between current (payable in under 12 months) and non-current (payable in over 12 months):

	2021 £'000	2020 £'000
Short-term lease liabilities	530	417
Long-term lease liabilities	-	539
	<u>530</u>	<u>956</u>
	2021 £'000	2020 £'000
Operating lease commitments under IAS 17	-	1,262
Other transitional corrections	-	-
Impact of discounting committed future cashflows	-	(302)
Opening lease liability on 1 April 2019 (date of transition to IFRS 16)	<u>-</u>	<u>960</u>
Lease liability as at 2020	956	-
Additional lease liability related to the acquisition of right-of-use assets during the year	-	315
Interest charge for the year	45	72
Payments made during the year	(471)	(391)
Lease liability as at 31 March	<u>530</u>	<u>956</u>

The maturity analysis of the lease liabilities is presented below:

	2021 £'000	2020 £'000
Lease commitments		
Within 1 year	530	417
1 to 5 years	-	539
Over 5 years	-	-
Total commitments	<u>530</u>	<u>956</u>

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

25. Non-current provisions

	2021 £'000	2020 £'000
Warranty	464	106
Dilapidation	322	60
	<u>785</u>	<u>166</u>

Warranty Provision

The warranty provision represents the fair value of the Company's liability under warranties granted to customers. Within the warranty provision the Company includes provisions for large scale groundmount projects to cover the anticipated costs of achieving client final acceptance of a project, which is generally scheduled to occur two years after the client has provisionally accepted delivery of the project under the terms of the contract. On provisional acceptance, 100% of the project value is recognised and provisions made to cover any reasonably expected costs to be incurred in ensuring the project achieves final acceptance and for any residual liabilities thereafter.

Dilapidation Provision

The dilapidation provision represents the fair value of the Company's obligations under various lease arrangements to return the leased property to the condition required under the lease terms at the end of the leasehold. The potential outflows are forecast to occur

26. Share capital

	2021 Shares	2020 Shares	2021 £'000	2020 £'000
Ordinary shares - fully paid - nominal value £1	60,010,820	10,820	60,012	12
A Class Preference shares - fully paid - nominal value £1	18,555	18,555	18	18
B Class Preference shares - fully paid - nominal value £1	7,088	7,088	7	7
B1 Ordinary shares - fully paid - nominal value £0.01	2,300	2,300	-	-
B2 Ordinary shares - fully paid - nominal value £0.01	6,655	6,655	-	-
	<u>60,045,418</u>	<u>45,418</u>	<u>60,037</u>	<u>37</u>

During the year, 60,000,000 Ordinary shares were issued for a total consideration of £60,009,000.

The A shares and B shares have specific rights (prior to distribution amongst all shareholders) to recover their original investments up to certain levels upon sale or liquidation of the entire share capital of the Company. The A shareholders hold this right until they have received, in aggregate, four times their original investment. The B shareholders hold this right until they have received, in aggregate, two and a half times their original investment. Four A and B shareholders have the right to appoint directors to the Board and both these classes of shares have voting rights on certain reserved matters. During the year following the sale of the Solar Century Holding Ltd to Statkraft European Wind and Solar all class of share was purchased.

27. Share premium and own share reserves

	2021 £'000	2020 £'000
Share premium account	29,077	29,077
Own shares	-	(955)
	<u>29,077</u>	<u>28,122</u>

Share premium account

The share premium reserve represents the excess amount received from investors over the par value of shares issued.

Own shares

The own shares reserve represents the cost of shares held by the Solar Century Holdings Limited Employee Benefit Trust ("EBT") to satisfy options under the Company's share options scheme. The number of ordinary shares held by the EBT at 31 March 2021 was Nil (2020: 1,027).

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

28. Retained earnings

	2021 £'000	2020 £'000
Retained earnings at the beginning of the financial year	14,493	3,256
Adjustment following adoption of IFRS 16	-	61
Retained earnings at the beginning of the financial year - restated	14,493	3,317
Profit after income tax expense for the year	(4,451)	11,026
Share-based payment	4,280	150
Retained earnings at the end of the financial year	14,322	14,493

29. Dividend paid

There were no dividends paid, recommended or declared during the current or previous financial year.

30. Derivative financial instruments

The Company is exposed to adverse changes in the foreign exchange rate for US Dollars, as a number of large supplier payments are settled in USD. The Company enters into derivative instruments in order to mitigate this risk. The Company has elected not to apply hedge accounting and instead the gains and losses relating to these instruments are recognised in the income statement.

	2021 £'000	2020 £'000
<i>Current assets</i>		
Forward foreign exchange contracts	-	513

31. Financial instruments

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Solar Century Holdings Limited
Notes to the financial statements (continued)
For the year ended 31 March 2021

32. Share-Based Payments

The Company operates an equity-settled share option scheme for employees. Options to purchase Company shares are exercisable at a predetermined price and in pre-defined numbers over a vesting period normally extending to four years. Options remaining unexercised after the tenth anniversary of their grant date expire. Options are forfeited if an employee leaves the Company, with certain exemptions defined under the scheme or at the Board's discretion. Details of the share options outstanding during the year are as follows:

	2021 Number of share	2021 Weighted av. Exercise price	2020 Number of share options	2020 Weighted av. Exercise
Outstanding at beginning of year	-	£0	645	£17.79
Lapsed during the year	-	£0	(5)	£255.00
Exercised during the year	-	£0	(640)	£17.81
Outstanding at the end of the year	-	£0	-	£0.00
Exercisable at the end of the year	-	£0	-	£0.00

An amount of £Nil (2020: £11,600) has been credited to other reserves in relation to options exercised during the year.

In the prior year, the vesting period of these equity instruments was extended, to account for a revised timeline regarding the vesting conditions. Under IFRS 2, this change has been accounted for as a modification. The incremental fair value of the instruments (£2,756,000) will be recognised over the remaining vesting period.

Following the sale of the company to Statkraft all share based payments were settled in the year. The value disclosed in Administration expenses is £4,280k

33. Transition to FRS 101

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council.

For the year ended 31 March 2020, the Company prepared its financial statements in accordance with IFRS, these financial statements, for the year ended 31 March 2021, are the first the Company has prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Accordingly, the Company has prepared individual financial statements which comply with FRS 101 applicable for periods beginning on or after 1 April 2020 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the company has started from an opening statement of financial position as at 1 April 2020, the Company's date of transition to FRS 101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101.

On transition to FRS 101, no adjustments were required to the previous IFRS reported figures.

34. Events after the reporting period

On 21 April 2021, the Company's shares were transferred from Statkraft AS to Statkraft European Wind and Solar Holding AS.

Subsequently on 19th October 2021 33,506,670 Ordinary Shares of £1 each of capital was injected into SCH Projects Limited.

On 11 June 2021 the board approved the dissolution and liquidation of the Company's Greek Subsidiary Solarcentury Services Greece Single Member S.A., along with the appointment of the liquidator.

On 15 July 2021 the board approved the sale of shares in Tika Solar S. de R.L. de C.V (the Company's subsidiary in Mexico) to RWE Renewables International Participation B.V.

34. Events after the reporting period (continued)

On 29 July 2021 the board approved equity injections of various amounts, to be received by the Company, from its shareholder and distributed to and recorded as, an increase in equity in the books of the Subsidiaries amounting to £33,506,670.

On 17 August 2021 the board approved the transfer of all shares in Solarcentury Italia S.r.l to Statkraft European Wind and Solar Holdings AS.

On 16 December 2021 the board approved the share transfer of Solarcentury Benelux B.V. to Statkraft Markets B.V. and for the company to be renamed Statkraft Renewables Benelux B.V.