Registered number: 03570325

SOLAR CENTURY HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

COMPANY INFORMATION

Directors	David Flood (resigned on 13 October 2023) Eivind Torblaa (resigned on 13 October 2023) Birgitte Vartdal (resigned on 13 October 2023) Emma Voss (resigned on 13 October 2023) Kevin O'Donovan (appointed on 13 October 2023) Richard Mardon (appointed on 13 October 2023) Evert Vlaswinkel (appointed on 13 October 2023)
Company secretary	Joanne Munis
Registered number	03570325
Registered office	19th Floor 22 Bishopsgate London EC2N 4BQ
Independent auditors	Deloitte LLP 2 New Street Square London EC4A 3BZ United Kingdom
Bankers	Danske Bank ICB London 75 King William Street London EC4N 7DT

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006 which requires the Company to present a fair review of its business along with a description of the principal risks and uncertainties facing the Company.

Principal activities

The principal activities of Solar Century Holdings Limited (the "Company") are to hold subsidiaries that design, development, supply, installation, maintenance and ownership of Solar energy products and systems. Solar Century Holdings Limited will continue to receive development revenue where it bears the construction risk and required milestones are reached.

Strategy

The Company's strategy has been and continues to be to grow its development pipeline in Europe in existing and new markets. This is completed through the subsidiary entities. In November 2022, the Company sold the assets of the trading Spanish branch office to Statkraft Development Spain S.L.U. The Company now holds shares in Statkraft Development Spain S.L.U.

Business review

The Company's KPI's are profit for the financial year, revenue and net assets.

The profit for the financial year, after taxation is £30,536,000 compared with a profit after taxation of £50,816,000 in 2022. The decrease in profit is primarily driven from sale of the assets relating to the Spanish branch office within the year. The trading branch of the Company was sold in November 2022 to Statkraft Development Spain S.L.U. Subsequent to the transfer the Company exists primarily as a holding Company of subsidiaries that perform the principal activities.

Revenue for the period has decreased from £128,635,724 in 2022 compared to £80,662,941 in 2023 which represents a drop of 37% mainly driven by the sale of the branch and cessation of Spanish trading activities within the Company from November 2022. The reduction in costs from £65,711,874 in 2023 compared to £75,885,022 in 2022 is driven by the same factors.

The company is in a net asset position £186,687,000 (2022: £150,818,000) and continues to meet day-to-day liquidity needs through its cash resources. The directors have reviewed cash flow forecasts and projections which cover a period of at least 12 months from the date of the approval of the financial statements, which show that the Company has sufficient financial resources to continue in operation for at least the next 12 months from the date of approval of this financial statement.

Future outlook

The primary purpose of the company going forward will be a holding company for subsidiaries. The company will continue to develop, construct, operate and maintain solar assets through subsidiaries.

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.

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.

Section 172(1) 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 Company's long-term plan is to continue successfully developing, constructing, operating and maintaining electricity generation assets and grid-stabilising assets through its subsidiaries. These assets will continue to comply with all required regulation, including Statkraft's health and safety guidance and in accordance with planning permissions. The Directors review the long-term plan on an ongoing basis and to date no decision has been made to change the long-term plan.

- To maintain and review high HSE standards:

A safe and healthy work environment is a precondition to Statkraft operations and the Statkraft Group works tirelessly to improve and expand internal and external initiatives. All operations are committed to preventing incidents and promoting a workplace without injury or harm to Statkraft Group employees, business partners and local stakeholders. Full details on HSE within the Statkraft Group can be found at: https://www.statkraft.com/sustainability/our-commitments/health-and-safety.

- The need to foster the company's business relationships with suppliers, customers and others:

The Company fosters relationships through the selection of a reliable service providers, which are regulated by formal contract and lease agreements. Ultimately, this ensures uninterrupted UK operations.

We engage with the government and regulators through a range of industry consultations, forums, meetings and conferences to communicate our views to policy makers relevant to our business. Key areas of focus are compliance with laws and regulations, health and safety and the environment.

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

- The impact of the company's operations on the community and the environment:

The community and the environment are two key considerations to operations. With regards to the community, the Company provides benefit through Community Benefit Funds through the subsidiary operations.

With regards to the environment, the Company is committed to managing the impacts on the environment caused by UK subsidiary and joint venture operation through habitat management plans. Operations engage with environmental consultants and have regular meetings with government agencies to discuss the environment impact of its sites.

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.

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

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

RMardon.

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Name: Richard Mardon
Director

Date: 22 April 2024

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Directors present their report and the audited financial statements for the year ended 31 March 2023.

Company information

Solar Century Holdings Limited (the "Company") is a private company limited by shares and registered in England and Wales with registered 03570325. The Company is incorporated and domiciled in the United Kingdom. The address of the Company's registered office is 19th Floor, 22 Bishopsgate, London, EC2N 4BQ. The Company also operated a branch in Spain with a registered office located at Calle Pintor Sorolla 3, Floors 10 & 11, 46002-Valencia, Spain. The branch was sold on 1 November 2022 (further details below).

The principal activity of the Company are the design, development, supply, installation, maintenance and ownership of Solar energy products and systems.

The immediate parent undertaking of Solar Century Holdings Limited is Statkraft European Wind and Solar AS, a company incorporated in the Norway, with a registered office of Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo.

Statkraft European Wind and Solar AS is owned by Statkraft AS, a company incorporated in Norway, which is the smallest group consolidating these financial statements. 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 and parent of Solar Century Holdings Limited.

Both of the group financial statements, which comply with International Financial Reporting Standards ("IFRS") and have been produced for public use, can be obtained from their registered offices which are at Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway or www.statkraft.com.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Going concern

The Company's business activities, together with the factors likely to affect its future development and performance are set out in the Directors' Report. The financial position of the Company is disclosed on page 15.

The Company is in a net asset position of £186,687,000 (2022: £150,818,000) and continues to meet day-to-day liquidity needs through its cash resources. The Directors have reviewed cash flow forecasts and projections which cover a period of at least 12 months from the date of the approval of the financial statements, taking into account foreseeable changes in investment and trading performance, which show that the Company has sufficient financial resources to continue in operation for at least the next 12 months from the date of approval of this financial statement.

Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Future developments

The Company will continue to deliver development projects in Europe.

Results and dividends

The profit for the year, after taxation, amounted to £30,536,000 (2022: profit after taxation £50,816,000).

The Directors does not propose a dividend to be paid in relation to the current year (2022: £nil).

Directors

The Directors who served during the year and up to the date of this report were:

David Flood (resigned on 13 October 2023)
Eivind Torblaa (resigned on 13 October 2023)
Birgitte Vartdal (resigned on 13 October 2023)
Emma Voss (resigned on 13 October 2023)
Kevin O'Donovan (appointed on 13 October 2023)
Richard Mardon (appointed on 13 October 2023)
Evert Vlaswinkel (appointed on 13 October 2023)

Directors' and officers' liability

Directors' and officers' liability insurance has been purchased by Statkraft AS and was in place throughout the year for all subsidiaries. The insurance does not provide cover in the event that the Director is proved to have acted fraudulently.

Qualifying third-party indemnity provisions (as defined in section 234 of the Companies Act 2006) were in force during the year ended 31 December 2023 and remain in force.

Policy on financial risk management

The financial risk management of the Company is detailed in note 3 to the Company's financial statements.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Charitable and political donations

The Company made charitable and political donations during the year of £500,000 (2022: £1,010,497).

Streamlined Energy and Carbon Reporting

The Company electricity, gas and transport fuel consumption are below 40,000 kWh annually, therefore the Company qualifies as low energy user and is exempt from reporting under the 2018 Regulations.

Engagement with suppliers, customers and others

For further details on engagement with suppliers, customers and others, refer to the s172 statement within the Strategic Report.

Events after the balance sheet

On 16th May 2023 Solar Century Holdings reached a settlement agreement with Core Newton Downs Limited (formally Good Energy Development (No.23) Limited for the contract covering engineering, procurement, construction and maintenance of ground-mounted, grid-connected photovoltaic power systems at Newton Downs Farm amounting to £468,000.

On 13 December 2023 Solar Century Holdings acquired further share capital in the subsidiary, SCH Projects Limited. 65,210,064 shares were issued and paid in full at a nominal value of £1 per share issued.

On 13 December 2023 Solar Century Holdings acquired further share capital in the subsidiary, Statkraft Development SL. 9,690,000 shares were issued and paid in full at a nominal value of €1 per share issued for a total cash consideration of £8,345,028.01.

Disclosure of information to 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.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Auditors

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor 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:

RMardon.
....

Name: Richard Mardon
Director

Date: 22 April 2024

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 31 March 2023 and of its profit 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 to 25.

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.

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.

Auditor's 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 company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks 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. This includes 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, in particular the accuracy and occurrence of revenue recorded. To address this risk, we traced 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.

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 has 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 and 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
22 April 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £'000	2022 £'000
Revenue	5	80,663	128,636
Cost of sales		(65,712)	(75,885)
Gross profit		14,951	52,751
Administrative expenses		(3,739)	(20,123)
Operating profit	7	11,212	32,628
Finance income	10	1,208	543
Finance expenses	10	(550)	(631)
Gain on disposal of investment in subsidiary	6	3,967	23,648
Gain on disposal of branch	6	17,000	—
Profit before taxation		32,837	56,188
Tax on profit on ordinary activities	11	(2,301)	(5,372)
Profit after taxation		30,536	50,816
Other comprehensive income			
Translation to presentation currency		5,333	(2,740)
		5,333	(2,740)
Total comprehensive income for the year		35,869	48,076

The results for both years have been derived wholly from continuing operations.

STATEMENT OF FINANCIAL POSITION
AS 31 MARCH 2023

	Note	2023 £'000	2022 £'000
Fixed assets			
Intangibles	12	—	49
Property, plant and equipment	13	—	162
Right of use assets	14	—	49
Investments in subsidiaries	15	67,222	48,964
Long terms receivables		—	49
		67,222	**49,273**
Current assets			
Inventories	16	1,026	2,151
Trade and other debtors	17	1,335	33,136
Cash and cash equivalents		123,609	91,995
		125,970	**127,282**
Creditors – amounts falling due within one year			
Trade and other creditors	18	5,720	18,956
Provisions	19	785	364
Finance leases	20	—	43
		6,505	**19,363**
Net current assets		**119,465**	**107,919**
Total assets less current liabilities		**186,687**	**157,192**
Creditors – amounts falling due after more than one year			
Loans and borrowings	19	—	3,926
Finance leases	20	—	—
		—	**3,926**
Provisions for liabilities			
Provisions	21	—	2,448
Net assets		**186,687**	**150,818**
Capital and reserves			
Called up share capital	22	60,037	60,037
Share premium		29,077	29,077
Foreign currency translation reserve		1,899	(3,434)
Retained earnings		95,674	65,138
Total capital and reserves		**186,687**	**150,818**

STATEMENT OF FINANCIAL POSITION
AS 31 MARCH 2023

The financial statements of Solar Century Holdings Limited (registered number 03570325) were approved by the Board of Directors and authorised for issue on 5 April 2024. They were signed on its behalf by:

....

Name: Richard Mardon
Director

Date: 22 April 2024

The notes on pages 19 to 42 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2023

	Note	Called - up share capital £'000	Share premium £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Total equity £'000
At 1 April 2022		**60,037**	**29,077**	**(3,434)**	**65,138**	**150,818**
Profit for the year		—	—	—	30,536	30,536
Other comprehensive income for the year:						
Items that will not be reclassified to profit or loss						
Translation to presentation currency		—	—	5,333	—	5,333
Total comprehensive income for the year		**—**	**—**	**5,333**	**30,536**	**35,869**
Total transactions with owners, recognised directly in equity		**—**	**—**	**—**	**—**	**—**
At 31 March 2023		**60,037**	**29,077**	**1,899**	**95,674**	**186,687**

The notes on pages 19 to 42 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2022

	Note	Called - up share capital £'000	Share premium £'000	Foreign currency translation £'000	Retained earnings £'000	Total equity £'000
At 1 April 2021		**60,037**	**29,077**	**(694)**	**14,322**	**102,742**
Profit for the year		—	—	—	50,816	**50,816**
Other comprehensive loss for the year:						
Items that will not be reclassified to profit or loss						
Translation to presentation currency		—	—	(2,740)	—	**(2,740)**
Total comprehensive gain for the year		—	—	**(2,740)**	**50,816**	**48,076**
Total transactions with owners, recognised directly in equity		—	—	—	—	—
At 31 March 2022		**60,037**	**29,077**	**(3,434)**	**65,138**	**150,818**

The notes on pages 19 to 42 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 Corporate information

Solar Century Holdings Limited (the "Company") is a private company limited by shares and registered in England and Wales with registered number 3570325. The Company is incorporated and domiciled in the United Kingdom. The address of the Company's registered office is 19th Floor, 22 Bishopsgate, London, EC2N 4BQ. The Company also operated a branch in Spain with a registered office located at Calle Pintor Sorolla 3, Floors 10 & 11, 46002-Valencia, Spain. All trade and assets of the branch has been transferred as of 01 November 2022 to Statkraft Development Spain S.L.U.

The principal activity of the Company is as a holding company which holds investments in subsidiaries to identify, develop and sell solar plants in Europe.

The immediate parent undertaking of Solar Century Holdings Limited is Statkraft European Wind and Solar AS, a company incorporated in the Norway, with a registered office Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo.

Statkraft European Wind and Solar AS is owned by Statkraft AS, a company incorporated in Norway, which is the smallest group consolidating these financial statements. 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 and parent of Solar Century Holdings Limited.

Both of the group financial statements, which comply with International Financial Reporting Standards ("IFRS") and have been produced for public use, can be obtained from their registered offices which are at Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway or www.statkraft.com

2 Accounting policies

2.1 Basis of preparation

The financial statements of the Company 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.

The Company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) 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 2023.

For the year ended 31 March 2022, the Company prepared its financial statements in accordance with IFRS. These financial statements, for the year ended 31 March 2023, are the first the Company has prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'. Accordingly, the Company has prepared individual statements which comply with FRS 101 applicable for periods beginning on or after 1 January 2021 and the significant accounting policies meeting those requirements are described in the relevant notes.

The recognition and measurement of assets, liabilities, equity, revenue and expense under IFRS and FRS 101 are the same and therefore there is no material change in accounting policies or the recognition and measurement of the above items on moving to FRS 101. The key difference is that the Company has now taken exemptions from the disclosure of certain items as set out further below.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

In order to comply with the Companies Act 2006 the Company has set out below where advantage of the FRS 101 disclosure exemptions has been taken:

- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- 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, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases.
- 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';
    - and - paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- 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

  There has been no material impact on the Company's financial position or related performance as a result of any new standards or interpretations.

2.2 Consolidation

The Company is a wholly owned subsidiary of Statkraft European Wind and Solar AS, a company incorporated in Norway. Statkraft European Wind and Solar AS is owned by Statkraft AS, a company incorporated in Norway, which is the smallest group consolidating these financial statements. 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 and parent of Solar Century Holdings Limited.

Solar Century Holdings Limited is included in both consolidated financial statements, which are publicly available. Therefore, the company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements. It can be obtained an be obtained from their registered offices which are at Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo, Norway or www.statkraft.com.

These financial statements are separate financial statements.

2.3 Going concern

The Company's business activities, together with the factors likely to affect its future development and performance are set out in the Directors' Report. The financial position of the Company is disclosed on page 15.

The Company is in a net asset position of £186,687,000 (2022: £150,818,000) and continues to meet day-today liquidity needs through its cash resources. The Directors have reviewed cash flow forecasts, and projections which cover a period of at least 12 months from the date of the approval of the financial statements, taking into account foreseeable changes in investment and trading performance, which show that the Company has sufficient financial resources to continue in operation for at least the next 12 months from the date of approval of this financial statement.

Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.4 Revenue

2.4.1 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.

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.

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.

2.4.2 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.

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

2.4.3 Operation and maintenance

Revenues from the operation and maintenance of third-party assets are typically related to performance obligations satisfied over time. The transaction price is the consideration the Company expects to receive in line with the contract. The performance obligation is satisfied over time which entails that revenue should be recognised for the maintenance delivered at the transaction price. The revenue is recognised at the amount of which the entity has a right to invoice. The right to invoice for services arises when works are completed and the right to invoice the consideration will normally correspond directly with the value to the customer.

2.5 Employee benefits

Short-term employee benefits, such as salaries, paid absence and other benefits, are accounted for on an accrual basis over the period which employees have provided services in the year. Bonuses are recognised to the extent that the Company has a present obligation to its employees that can be measured reliably. All expenses related to employee benefits are recognised in the income statement in staff costs, which are included within administration expenses.

2.6 Leases

The definition of a lease mainly relates to the concept of control. IFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period in exchange for consideration.

At the commencement date of a lease, the Company as the lessee recognises a liability at the present value of future lease payments with a corresponding asset representing the right to use the underlying asset during the lease term (the "right of use asset").

The Company measures the lease liabilities at the present value of the remaining lease payments, discounted using the incremental borrowing rate. The incremental borrowing rate is calculated as a sum of currency dependent market rates and entity specific credit spreads for each relevant year. The incremental borrowing rate applied as the discount rate is an average of these yearly borrowing rates for each individual leased asset, depending on the length of each contract.

Depreciation of right of use assets and interest on lease liabilities are recognised separately in the statement of profit or loss.

The total amount of lease liabilities paid in the year is presented in the statement of cash flows within financing activities.

A lease liability will be remeasured upon the occurrence of certain events e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments. Generally, the amount of the remeasurement of the lease liability will be recognised as an adjustment to the right of use asset.

Recognition exemption for short-term leases (defined as 12 months or less) and for low value assets (defined as less than £4,000). These expenses are presented within Administrative expenses.

2.7 Foreign currencies

2.7.1 Functional and presentation currency

The Company's functional currency is pounds sterling and is determined by the currency of the primary economic environment in which it operates. This is also the presentation currency of the Company. The Company had a branch within the year, until it's sale on 1 November 2022, whose functional currency was Euro. Movement between the functional currency and reporting currency is presented as other comprehensive income within the financial statements.

2.7.2 Transactions and balances

Transactions denominated in currencies other than the functional currency of the Company are initially recorded in the functional currency using the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-measured at the rate of exchange ruling at the balance sheet date. Exchange gains and losses on settlement of foreign currency transactions which are translated at the rate prevailing at the date of the transactions, or on the translation of monetary assets and liabilities which are translated at period-end exchange rates, are taken to the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are not re-translated.

The Company operated a foreign branch within the year, until it's sale on 1 November 2022. 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.

2.8 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held with banks, commercial papers and other interest-bearing securities which normally are due within a period of three months and bank overdrafts. Bank overdrafts are shown within loans in current liabilities on the balance sheet where no right of set off exists.

2.9 Taxation

Income tax comprises current and deferred tax. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the balance sheet date, and any adjustment to tax payable in respect of previous years.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Income tax expense represents the sum of the tax currently payable and deferred tax.

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 recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

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.

2.10 Inventories

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.

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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.

2.11 Property, plant and equipment

Property, plant and equipment are reported as assets in the balance sheet if it is likely that there will be future financial benefit for the company and the cost of the asset can be calculated in a reliable manner. Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost includes directly attributable expenditure incurred in bringing the assets into the location and condition to be capable of operating in the manner intended by management, such as employee benefits, site preparation, delivery and handling, installation and assembly cost, landside protection, land registration and legal and consulting fees.

Depreciation commences when the asset is available for its intended use and is calculated on a straight-line basis over the asset's expected useful life. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately, which means that the components' estimated useful life provides the basis for the straight-line depreciation. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale), and the date that the asset is derecognised. Expected useful life, depreciation methods and residual values are assessed annually. Estimated useful life is further disclosed below:

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

2.12 Intangibles

Separately acquired intangibles are measured on initial recognition at cost. Following initial recognition, Intangibles are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite and definite.

Intangibles with finite lives are amortised using the straight-line method to allocate the cost of intangibles over their estimated useful lives and assessed for impairment at each balance sheet date and it is consistent with the accounting policy for impairment of non-financial assets, described below. The amortization expense of intangible assets with finite lives is recognised in the statement of comprehensive income as an expense.

Amortization is provided on intangibles so as to write off their carrying value over their expected useful economic lives. It is provided at the following range: between 2 and 5 years.

2.13 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but ensuring that the increased carrying amount does not exceed the original carrying amount before the impairment loss was booked. A reversal of impairment loss is recognised in profit or loss. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.14 Investments in subsidiaries

Investments in subsidiaries are equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured. Therefore, they are stated at cost less impairment in accordance with IAS 27.

2.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a debtor is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the debtor can be measured reliably.

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.

2.16 Financial assets

Financial assets are recognised in the Company balance sheet when the Company becomes party to the contractual provisions of a financial instrument. All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. All financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

For certain categories of financial assets, such as trade debtors, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of debtors could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on debtors.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade debtors, where the carrying amount is reduced through the use of an allowance account.

Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2.17 Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

2.18 Equity

Ordinary shares issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.19 Financial liabilities

The Company does not hold any financial liabilities classified as held at fair value though profit or loss. Consequently all financial liabilities are recognised as "other financial liabilities" and are initially measured at fair value minus transaction costs.

All financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a short period, to the net carrying amount on initial recognition.

2.20 Derecognition of financial liabilities

The Company derecognises a financial liability when, and only when, the Company's obligations are discharged, cancelled or they expire.

3 Financial risk management

The Company's activities expose it to a variety of financial risks, such as foreign exchange, credit, capital, liquidity and interest rate.

(a) Foreign exchange risk
The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Norwegian Kroner and Euros. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities in foreign currencies. The Company does not use any other instruments to manage its foreign currency risk.

(b) Credit risk
Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company is potentially exposed to credit risk through its debtors due. The profile of these balances is principally with other group companies, which the Directors believe limits the risk of non-payment. The maximum exposure to credit risk at the reporting date is equal to the carrying amount disclosed in Note 17.

(c) Capital risk
Due to the revenues receivable from power generation at the solar plants,the Company is expected to remain cash-generative for the foreseeable future.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through optimisation of its debt to equity balance. The capital structure of the Company consists of debt – which includes borrowings disclosed in note 19, cash and equity attributable to the shareholders of the Company; comprising issued capital and retained earnings disclosed in the Statement of Changes in Equity.

(d) Liquidity risk
Liquidity risk is the risk that the Company are unable to meet their payment obligations when due, or are unable, on an ongoing basis, to borrow funds in the market on an unsecured or secured basis at an acceptable price to fund actual or proposed commitments.

While the minimum internal liquidity threshold is adjusted from time to time in response to changes in market conditions, this minimum internal liquidity target may be breached due to circumstances outside the Company's control, such as general market disruptions, sharp movements in commodity prices or an operational problem that affects suppliers, customers or the Company itself.

A lack of liquidity may mean that the Company will not have funds available to maintain or increase marketing and industrial activities, both of which employ substantial amounts of capital. If the Company does not have funds available to sustain or develop its marketing and industrial activities then these activities will decrease.

The liquidity risk for the Company is deemed to be low due to the cash position held at year end.

(e) Interest rate risk
The Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Interest rate risk is managed by placing all long-term borrowings with other group companies and management of the debt to equity ratio of the Company.

4 Critical accounting judgements and estimates

The preparation of the Company's financial statements involves the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, considering previous experience, and are reviewed and revised as necessary. The judgements and estimates that have the most material effect on the carrying amounts of assets and liabilities are presented below.

4.1 Critical accounting judgements

4.1.1 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. Significant judgement is required in determining when 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.

4.1.2 Assessing CGUs non-financial assets for impairment triggers

Impairment is assessed at the cash-generating unit (CGU) level. A CGU is the smallest identifiable asset or group of assets that generates independent cash inflows. Judgement is applied to identify the Company's CGUs.

The Company's non-financial assets are reviewed for indications of impairment (an impairment "trigger"). Judgement is applied in determining whether an impairment trigger has occurred, based on both internal and external sources. External sources may include market value declines, changes in technology, markets, economy, impact of climate changes or laws. Internal sources may include: obsolescence or physical damage, or worse economic performance than expected, including from adverse weather conditions for renewable plants.

If indicators are identified, calculations will be made and if the carrying value is higher than the recoverable amount, an impairment loss is recognised in the financial statement.

No impairment triggers were identified in the Company.

4.2 Key sources of estimation uncertainty

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 performatnace 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. The balacnes that would be impacted are deferred income and accrued income.

5 Revenue

	2023 £'000	2022 £'000
Revenue from contracts with customers, recognised in line with IFRS15.	80,663	128,636
Total Revenue from contracts with customers	80,663	128,636

Share of total revenue by market	2023 £'000	2022 £'000
United Kingdom	5,675	10,593
Spain	74,988	118,043
Total Revenue from contracts with customers	80,663	128,636

6 Gain on disposal of investment in subsidiary/ branch

	2023 £'000	2022 £'000
Gain on disposal of investment in subsidiary	3,967	23,648
Gain on disposal of branch	17,000	–
	20,967	23,648

The sale of the Solar Century Holdings branch to Statkraft Developments Spain S.L.U generated a gain on disposal of £17,000,000.

The gain on disposal in subsidiary for 2023 arose primarily from the liquidation of Solarcentury Chile SpA. As a result of writing down the loan liabilities within the Company, a gain has been recorded in the Statement of Profit or Loss of £3,830,000. In addition, a gain in relation to the of Solar Century East Africa Ltd was recorded of £72,000. The remaining gain is driven by the liquidation of Greek subsidiaries, being: Solarcentury Services Greece Single Member S.A., SolarProject SC I, SolarProject SC II, SolarProject SC III, SolarProject Staat Vast III, as well as Solarcentury Projects SpA and Solarcentury Projects Latin America S.A.

In the prior year, the Company disposed of its investment in Solar Project Staat Vast II and SolarProject Staat Vast II for no gain or loss. Solarcentury Italia S.R.L was transferred to Statkraft European Wind and Solar AS *along with the sale of Solarcentury Benelux B.V amounting to a profit on disposal of £23,648,000.*

7 Operating profit

	2023 £'000	2022 £'000
The following items have been included in arriving at operating profit:		
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	27	27
Depreciation and amortization	—	568
Disposal of intangibles assets and fixed assets	167	—
	194	2,338

No non-audit services were performed by the Company's auditor in either year.

8 Directors' emoluments

During the year, the Company had four Directors (2022: four Directors). Their emoluments were borne by Group companies and none of their fees were recharged to the Company.

9 Employee information

The Company had 59 employees during the year (2022: 85). All employees were transferred to Statkraft Development Spain S.L.U as part of the branch sale.

The employee benefits expense during the year was as follows:

	2023 £'000	2022 £'000
Wages and salaries	1,100	7,004
Social security costs	401	1,081
Pension costs	—	182
	1,501	8,267

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10 Finance income and finance expense

	2023	2022
	£'000	£'000
Finance income		
Interest income on loans to subsidiaries	—	341
Bank interest income	1,208	4
Other finance income	—	198
	1,208	543
Finance expense		
Interest expense	499	531
Bank charges	—	63
Finance lease interest	—	28
Guarantee fees	51	9
	550	631

11 Tax

	2023	2022
	£'000	£'000
Reconciliation of tax charge		
Profit before taxation	32,837	56,188
Tax at the UK corporation tax rate of 19% (2021:19%)	6,239	10,676
Effects of:		
Tax effect amounts which are not deductible/(taxable) in calculating taxable income	(3,938)	(4,452)
Prior year adjustments	—	(852)
Total tax expense for the year	2,301	5,372

11.1.2 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the statement of financial position:

	2023 **£'000**	*2022* *£'000*
Deferred tax assets	—	—
Deferred tax liabilities	—	—
	—	—

	Fixed assets £'000	**Other assets £'000**	**Tax losses £'000**	**Retirement benefits £'000**	**Total £'000**
Balance as at 1 April 2022	—	—	—	—	—
(Charge)/credit in the year	—	—	—	—	—
Exchange differences	—	—	—	—	—
Balance as at 31 March 2023	—	—	—	—	—

	Fixed assets £'000	**Other assets £'000**	**Tax losses £'000**	**Retirement benefits £'000**	**Total £'000**
Balance as at 1 April 2021	219	187	111	1	518
(Charge)/credit in the year	—	—	—	—	—
Exchange differences	(219)	(187)	(111)	(1)	(518)
Balance as at 31 March 2022	—	—	—	—	—

12 Intangibles

	Software 2023 £'000	*Software 2022 £'000*
Cost		
As at 1 April	**1,379**	*1,364*
Additions	**—**	*15*
Disposals	**(1,379)**	*—*
As at 31 March	**—**	*1,379*
Accumulated amortisation		
As at 1 April	**(1,330)**	*(1,314)*
Amortisation of the period	**—**	*(16)*
Disposals	**1,330**	*0*
As at 31 March	**—**	*(1,330)*
Net book value		
As at 1 April	**49**	*50*
As at 31 March	**—**	*49*

Within the year a review of intangible assets was completed. It was deemed that the assets were no longer required by the business, nor were they generating economic benefit. All assets were disposed of in full for no consideration.

13 Property, plant and equipment

	Leasehold improvements £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
Cost				
As at 1 April 2022	325	518	181	1,024
Additions	—	4	—	4
Disposal	(325)	(522)	(181)	(1,028)
As at 31 March 2023	—	—	—	—
Accumulated depreciation				
As at 1 April 2022	(223)	(487)	(152)	(862)
Charge for the year	—	—	—	—
Disposal	223	489	152	864
As at 31 March 2023	—	—	—	—
Net book value				
Cost	—	—	—	—
Accumulated depreciation	—	—	—	—
As at 31 March 2023	—	—	—	—

	Leasehold improvements £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
Net book value				
Cost	*325*	*518*	*181*	*1,024*
Accumulated depreciation	*(223)*	*(487)*	*(152)*	*(862)*
As at 31 March 2022	*102*	*31*	*29*	*162*

Within the year a review of fixed assets was completed. It was deemed that the assets were no longer required by the business, nor were they generating economic benefit. All assets were disposed of in full for no consideration.

14 Right of use assets

	Premises £'000	Vehicles £'000	Office equipment £'000	Total £'000
Cost				
As at 1 April 2022	905	80	68	1,053
Disposals	(905)	(80)	(68)	(1,053)
As at 31 March 2023	—	—	—	—
Accumulated depreciation				
As at 1 April 2022	(905)	(44)	(55)	(1,004)
Charge for the year	—		—	—
Disposals	905	44	55	1004
As at 31 March 2023	—	—	—	—
Net book value				
Cost	—	—	—	—
Accumulated depreciation	—	—	—	—
As at 31 March 2023	—	—	—	—

	Premises £'000	Vehicles £'000	Office equipment £'000	Total £'000
Net book value				
Cost	*905*	*80*	*68*	*1,053*
Accumulated depreciation	*(905)*	*(44)*	*(55)*	*(1,004)*
As at 31 March 2022	—	*36*	*13*	*49*

Within the year a review of right of use assets was completed. It was deemed that the assets were no longer required by the business, nor were they generating economic benefit. All assets were disposed of in full for no consideration.

15 Investments in subsidiaries

	2023 £'000	2022 £'000
SCH Projects Limited	48,795	48,795
Statkraft Development SL	18,379	—
Fotovoltaico Dulima S.A.S	18	18
Fotovoltaico Flandes S.A.S.	20	20
Fotovoltaico Yuma S.A.S	10	10
Solarcentury Deutschland GmbH	—	66
Solarcentury Services Greece Single Member S.A.	—	55
	67,222	48,964

In the year, Statkraft Developments SL was incorporated to take on the trade and assets of the Solar Century Holdings Spanish branch. The value of this acquisition represents the value of the shares issued in exchange for the transfer of the branch assets and liabilities. A gain on disposal of £17,000,000 was recognised on disposal.

Solarcentury Deutschland GmbH and Solarcentury Services Greece Single Member S.A. were disposed of to other relates parties within the Statkraft wider group.

During the prior year, the Company disposed of its investment in Solar Project Staat Vast I and SolarProject Staat Vast II for no gain and loss. Solarcentury Italia S.R.L was transferred to Statkraft European Wind and Solar AS along with the sale of Solarcentury Benelux B.V. amounting to a profit on disposal of £23,648k.

The Company's significant investments in subsidiaries as at 31 March 2023 were as follows:

Name	Country	Type of holding	Shareholding and voting share
AK Kin Green Power Park	Mexico	Indirect	100 %
SCH Projects Limited	United Kingdom	Direct	100 %
Statkraft Development SL	Spain	Direct	56 %
SC Benelux Holdco B.V.	Netherlands	Indirect	100 %
Zonnepark Bollendonk B.V	Netherlands	Indirect	100 %
Zonnepark Budel Dorplein II B.V	Netherlands	Indirect	100 %
Zonnepark Wilbertoord Noordstraat B.V.	Netherlands	Indirect	100 %
Zonnepark Winterswijk Arrasveldweg B.V	Netherlands	Indirect	100 %
Zonnepark Winterswijk Masterveldweg B.V.	Netherlands	Indirect	100 %
Solar Century Argentina Holdco 1 Limited	United Kingdom	Indirect	100 %
Solar Century Argentina Holdco 2 Limited	United Kingdom	Indirect	100 %
Solar Century Argentina Holdco 3 Limited	United Kingdom	Indirect	100 %
Solar Century Argentina Holdco 4 Limited	United Kingdom	Indirect	100 %
Solar Century Argentina Holdco 5 Limited	United Kingdom	Indirect	100 %

Fotovoltaico Dulima S.A.S	Colombia	Indirect	100 %
Fotovoltaico Flandes S.A.S.	Colombia	Indirect	100 %
Fotovoltaico Yuma S.A.S	Colombia	Indirect	100 %
Statkraft Holding España S.L.U	Spain	Indirect	100 %
Arada Solar, S.L.U.	Spain	Indirect	100 %
El Refugio Fotovoltaico, S.L.U. (PFV El Refugio)	Spain	Indirect	100 %
Fotovoltaico El Casar S.A.S	Spain	Indirect	100 %
Guadalsolar Cuatro, S.L.U.	Spain	Indirect	100 %
Guadalsolar Dos, S.L.U.	Spain	Indirect	100 %
Guadalsolar Tres, S.L.U.	Spain	Indirect	100 %
Guadalsolar Uno, S.L.U.	Spain	Indirect	100 %
Maragato HoldCo S.L.U.	Spain	Indirect	100 %
Maragato Solar Cinco S.L.U.	Spain	Indirect	100 %
Maragato Solar Cuatro S.L.U.	Spain	Indirect	100 %
Maragato Solar Dos S.L.U.	Spain	Indirect	100 %
Maragato Solar Tres S.L.U.	Spain	Indirect	100 %
Maragato Solar Uno S.L.U.	Spain	Indirect	100 %
Oroneta Solar, S.L.U.	Spain	Indirect	100 %
Oropesa Solar, S.L.	Spain	Indirect	100 %
Parpadeo Solar, S.L.	Spain	Indirect	100 %
PFV Albufera, S.L.U.	Spain	Indirect	100 %
PFV La Barraca, S.L.U.	Spain	Indirect	100 %
PFV Los Hierros, S.L.	Spain	Indirect	100 %
PFV Los Predios, S.L.	Spain	Indirect	100 %
PFV Pla de LLum, S.L.	Spain	Indirect	100 %
PFV Prado Gris, S.L.U.	Spain	Indirect	100 %
Proyecto Fotovoltaico Tendetes, S.L.U.	Spain	Indirect	100 %
Solar Century Holdings Limited Sucursal en España	Spain	Indirect	100 %

The movement of the investments are shown below:

	2023	*2022*
	£'000	*£'000*
Cost		
At 1 April	**48,964**	*221*
Additions during the year	**18,379**	*54,133*
Disposals during the year	**(121)**	*(5,390)*
	67,222	*48,964*

16 Inventories

	2023	2022
	£'000	£'000
Development costs	1,026	2,606
Less: Provision for impairment	—	(455)
	1,026	2,151

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

17 Trade and other debtors

	2023	2022
	£'000	£'000
Trade receivables	258	12,869
Less: allowance for expected credit losses	(62)	(92)
	196	12,777
Amounts receivable from Parent Company	—	4,669
Accrued revenue	882	6,639
Prepayments	142	4,348
Other receivables	115	4,703
	1,335	33,136

Amounts owed by Parent Company are unsecured, interest free, have no fixed rate of repayment and are repayable on demand. The reduction in the amounts receivable from the parent company reflects repayment following the sale of some of the Company's investments.

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

18 Trade and other creditors

	2023	2022
	£'000	£'000
Trade creditors	139	2,151
Amounts due to related parties	189	4,069
Deferred revenue	—	664
Other payables and accruals	2,231	8,232
VAT payable	315	—
Taxation and social security	2,846	3,840
	5,720	18,956

Amounts owed by Parent Company are unsecured, interest free, have no fixed rate of repayment and are repayable on demand. No interest is charged.

The Directors consider that the carrying amount of trade and other payables approximately equals their fair value.

19 Loans and borrowings

	2023	2022
	£'000	£'000
Non-current		
Loans from shareholders	—	3,926
	—	3,926

Loans from the parent entity represented the loan payable to Solarcentury Chile SpA. This loan was written down to £nil in the current year following the liquidation of the subsidiary.

20 Finance leases

The right of use assets and liabilities relate to the leases that the Company has in place on office equipment and vehicles.

	2023	2022
	£'000	£'000
Finance lease		
As at 1 April 2022	43	530
Payments of lease liabilities	(43)	(515)
Interest expense on lease liabilities	—	28
As at 31 March 2023	—	43

	2023	2022
	£'000	£'000
Lease liabilities, current	—	43
Lease liabilities, non-current	—	—
Total lease liabilities	—	43

	2023	2023
	£'000	£'000
Amounts recognised in profit and loss		
Depreciation of right of use assets	—	(463)
Interest expense on lease liabilities	—	(28)
	—	(491)

21 Provisions

	2023	2022
	£'000	£'000
Current		
Dilapidation	—	326
Warranty	785	38
	785	364

	2023	2022
	£'000	£'000
Non-current		
Dilapidation	—	2,448
	—	2,448
	785	2,812

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 ground mount 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 at the earlier of the actual lease termination date or any break clause within the leasehold agreement.

22 Called up share capital

	2023 Number	**2023 £'000**	*2022 Number*	*2022 £'000*
Authorised				
Shares treated as equity				
Ordinary shares of £1.00 each	**60,036,552**	**60,037**	*60,036,552*	*60,037*
	60,036,552	**60,037**	*60,036,552*	*60,037*

	2023 Number	**2023 £'000**	*2022 Number*	*2022 £'000*
Issued and fully paid				
Ordinary shares of £1.00 each				
At 1 April and 31 March	**60,036,552**	**60,037**	*60,036,552*	*60,037*
	60,036,552	**60,037**	*60,036,552*	*60,037*

All shares are owned by Statkraft European Wind and Solar AS.

23 Related party transactions

The company has taken advantage of the exemption under paragraph 8(k) of FRS101 to not disclose transactions with fellow wholly owned subsidiaries.

24 Controlling parties

The immediate parent undertaking of Solar Century Holdings Limited is Statkraft European Wind and Solar AS, a company incorporated in Norway. The address of the Company's registered office is Lilleakerveien 6, Postboks 200, Lilleaker 0216, Oslo. Solar Century Holdings Limited is owned by Statkraft AS, a company incorporated in Norway, which is the smallest group consolidating these financial statements.

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 SCH Projects 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.

25 Subsequent events

On 16th May 2023 Solar Century Holdings reached a settlement agreement with Core Newton Downs Limited (formally Good Energy Development (No.23) Limited for the contract covering engineering, procurement, construction and maintenance of ground-mounted, grid-connected photovoltaic power systems at Newton Downs Farm amounting to £468,000.

On 13 December 2023 Solar Century Holdings acquired share capital in the subsidiary, SCH Projects Limited. 65,210,064 shares were issued and paid in full at a nominal value of £1 per share issued.

On 13 December 2023 Solar Century Holdings acquired share capital in the subsidiary, Statkraft Development SL. 9,690,000 shares were issued and paid in full at a nominal value of €1 per share issued for a total cash consideration of £8,345,028.01.