Registered number: 06835555

WOODHOUSE FARM SOLAR PV LIMITED

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

WOODHOUSE FARM SOLAR PV LIMITED

COMPANY INFORMATION

Directors	Peter Tind Larsen Christian Krogsgaard
Registered number	06835555
Registered office	C/o Venthams 51 Lincoln's Inn Fields London WC2A 3NA
Independent auditor	Deloitte LLP Statutory Auditor Leeds LS1 2AL United Kingdom
Bankers	Natwest City Of London 1 Princes Street London EC2R 8BP

WOODHOUSE FARM SOLAR PV LIMITED

CONTENTS

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Principal activity

The company ownes and operates a solar farm. The farm was connected to the grid in March 2016. The capacity of the farm is 4.712 kWp.

Going concern

The company has made a loss of £282,657 (2017: £120,371) for the year and has net current liabilities of £651,714 (2017: £80,283). The net current liabilities position includes an amount of £1,183,430 (2017: £346,343) owed to a group company. Creditors due after one year includes the balance of this group loan of £3,698,898 (2017: £4,134,062). The directors are confident that, following the period after construction there has been slightly higher operational costs and lower production, the company is a going concern as the farm is expected to perform as expected and should generate income to cover its costs and the repayment of this loan, on which annual repayments are due, commencing December 2017 until December 2036. In addition, a letter of support has been provided by the parent company, where the parent company has expressed an explicit intent to offer the necessary support, including by, inter alia, waiving parts or all of the due payments under the loan agreement, including a specified support limit of £52,000 for third party costs due within 12 months. Based on current trading, the Directors consider the specified support limit for third party costs more than sufficient to cover liabilities as they fall due.

Directors

The directors who served during the year and subsequently unless otherwise stated were:

Peter Tind Larsen
Henrik Nohr Poulsen (resigned 14 January 2019)
Christian Krogsgaard (appointed 14 January 2019)

Director's indemnities

A group company has made qualifying third party indemnity provisions for the benefit of this company's directors which were made during the year and remain in force at the date of this report.

Disclosure of information to auditor

In accordance with section 418 of the Companies Act 2006 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 auditor is 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 auditor is aware of that information.

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

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Peter Tind Larsen
Director

Date: 26/9-2019

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for preparing the directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Woodhouse Farm Solar PV Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

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.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 material misstatements in 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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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.

Ian Kelsall

Ian Kelsall, ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Leeds, United Kingdom
Date: 27 September 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	*2017* *£*
Turnover	4	**515,166**	*486,637*
Cost of sales		**(179,402)**	*(183,578)*
Gross profit		**335,764**	*303,059*
Administrative expenses		**(250,357)**	*(53,775)*
Operating profit	5	**85,407**	*249,284*
Finance costs	8	**(356,114)**	*(341,924)*
Loss before tax		**(270,707)**	*(92,640)*
Tax on loss	9	**(11,950)**	*(27,731)*
Loss for the financial year		**(282,657)**	*(120,371)*

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 9 to 21 form part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note		2018 £		*Restated* *2017* *£*
Fixed assets					
Tangible assets	10		**4,393,205**		*4,533,711*
			4,393,205		*4,533,711*
Current assets					
Debtors: amounts falling due within one year	11	**42,813**		*97,512*	
Cash at bank and in hand		**539,917**		*263,323*	
		582,730		*360,835*	
Creditors: amounts falling due within one year	12	**(1,234,444)**		*(441,118)*	
Net current liabilities			**(651,714)**		*(80,283)*
Total assets less current liabilities			**3,741,491**		*4,453,428*
Creditors: amounts falling due after more than one year	13		**(3,698,898)**		*(4,134,062)*
Provisions for liabilities					
Decommissioning provision	15	**(181,835)**		*(175,951)*	
			(181,835)		*(175,951)*
Net (liabilities)/assets			**(139,242)**		*143,415*
Capital and reserves					
Called up share capital	16		**2**		*2*
Share premium account	17		**274,374**		*274,374*
Profit and loss account	17		**(413,618)**		*(130,961)*
			(139,242)		*143,415*

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Peter Tind Larsen
Director

Christian Krogsgaard
Director

Date: 26/9 - 2019

The notes on pages 9 to 21 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	1	-	(10,590)	(10,589)
Comprehensive loss for the year				
Loss for the year	-	-	(120,371)	(120,371)
Total comprehensive loss for the year	-	-	(120,371)	(120,371)
Shares issued during the year	1	274,374	-	274,375
At 1 January 2018	2	274,374	(130,961)	143,415
Comprehensive loss for the year				
Loss for the year	-	-	(282,657)	(282,657)
Total comprehensive loss for the year	-	-	(282,657)	(282,657)
At 31 December 2018	2	274,374	(413,618)	(139,242)

1. General information

The company is a private company limited by shares and is incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of its registered office is C/o Venthams, 51 Lincoln's Inn Fields, London, WC2A 3NA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention within these accounting policies and in accordance with Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council.

Woodhouse Farm Solar PV Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to financial instruments, remuneration of key management personnel and presentation of a statement of cash flows.

The functional and presentation currency is GBP.

The following principle accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared using the going concern principle. See the Directors' Report on page 1 for further details.

2.3 Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance costs'.

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from the sale of electrical power is recognised in the Statement of Comprehensive Income at the amount paid or payable by the purchaser as the electricity is generated and supplied to the purchaser's network provided that the electricity generation has taken place before the year end.

2.5 *Operating leases: the company as lessee*

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Therefore borrowing costs connected with the construction of the solar farm were capitalised until the solar farm was connected to the grid in March 2016.

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Solar power generating assets	- The assets are classified according to useful economic life. One group has a shorter estimated life and is depreciated over 15 years. The remaining plant is depreciated over 36 years in line with the anticipated lease of the site.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

Decommissioning provision is made to cover the estimated costs of decommissioning and demolishing the generation assets and remediating the site at the end of the useful economic lives of the assets. The amount represents the present value of the expected costs.

Depreciation is charged from when the solar farm is connected to the grid.

2.10 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 that 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 balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where 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 receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2. Accounting policies (continued)

2.11 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.
Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2. Accounting policies (continued)

2.12 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.
Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make 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.

Critical judgements in applying the Company's accounting policies

There are no critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key source of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Decommissioning provision

Decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new technology or experience at other assets. The expected timing, work, scope, amount of expenditure and risk weighting may also change. Therefore significant estimates and assumptions are made in determining the provision for decommissioning, which at 31 December 2018 was £181,835 (2017: £175,951).

4. Turnover

An analysis of turnover by class of business is as follows:

	2018	*2017*
	£	*£*
Sale of electrical power	**515,166**	*486,637*
	515,166	*486,637*

Analysis of turnover by country of destination:

	2018	*2017*
	£	*£*
United Kingdom	**515,166**	*486,637*
	515,166	*486,637*

5. Operating profit

The operating profit is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets	140,506	135,331
Exchange differences	189,851	4,381
Operating lease rentals	13,500	13,500

6. Auditor's remuneration

	2018	2017
	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	6,000	10,000
	6,000	10,000

7. Employees

The company had no employees during the current or prior year. No emoluments or pension contributions were paid to the directors of the company for their services in the current or preceding year. Amounts paid to directors were settled by a related party in the current and preceding year. As the directors are remunerated for their work across the wider group of companies under control of the ultimate parent, it has not been possible to apportion the emoluments specifically in respect of services to the company in the current or preceding year.

8. Finance costs

	2018	2017
	£	£
Decommissioning costs	5,884	-
Loans from group undertakings	350,230	341,924
	356,114	341,924

9. Tax on (loss)

	2018 £	*2017 £*
Corporation tax		
Current tax on (loss) for the year	11,988	*8,327*
Adjustments in respect of previous periods	(38)	*(895)*
Total current tax	**11,950**	*7,432*
Deferred tax		
Origination and reversal of timing differences	-	*20,299*
Total deferred tax	-	*20,299*
Taxation on profit on ordinary activities	**11,950**	*27,731*

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2017 - higher than)* the standard rate of corporation tax in the UK of 19% *(2017 - 19.25%)*. The differences are explained below:

	2018 £	*2017 £*
(Loss) on ordinary activities before tax	(270,707)	*(92,640)*
(Loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	(51,434)	*(17,830)*
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	63,422	*26,157*
Adjustments to tax charge in respect of prior periods	(38)	*(895)*
Reversal of recognition of deferred tax asset in previous years	-	*20,299*
Total tax charge for the year	**11,950**	*27,731*

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) were substantively enacted on 26 October 2015. Further reductions to 17% (effective from 1 April 2020) were substantively enacted on 16 September 2016.

10. Tangible fixed assets

	Solar power generating assets £
Cost	
At 1 January 2018	**4,770,541**
At 31 December 2018	**4,770,541**
Depreciation	
At 1 January 2018	**236,830**
Charge for the year on owned assets	**140,506**
At 31 December 2018	**377,336**
Net book value	
At 31 December 2018	**4,393,205**
At 31 December 2017	*4,533,711*

Included in the above figure are inverters depreciated over 15 years rather than the 36 years applied to all other assets. The depreciation of the inverters for the year is £13,207 (2017: £13,207) and their net book value at the year end is £161,784 (2017: £174,991).

Historically interest of £4,475 has been capitalised and is included in the cost figure. Interest was capitalised at the rate of 7%. The net book value of this at 31 December 2018 is £4,102. (2017: £4,227)

11. Debtors: Amounts falling due within one year

	2018 £	2017 £
Trade debtors	613	55,052
Other debtors	-	895
Prepayments and accrued income	42,200	41,565
	42,813	97,512

12. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,120	1,666
Amounts owed to group undertakings	1,183,430	346,343
Corporation tax	19,382	8,327
Other taxation and social security	9,673	2,632
Accruals and deferred income	20,839	82,150
	1,234,444	441,118

Amounts owed to group companies carry an interest rate of 8% (2017: 8%). See note 13 for repayment details.

13. Creditors: Amounts falling due after more than one year

	2018	*Restated* *2017*
	£	*£*
Amounts owed to group undertakings	**3,698,898**	*4,134,062*
	3,698,898	*4,134,062*

The figures for 2017 have been restated. In 2017 an amount of £175,951 was included in Other creditors in respect of a provision for expected demolition costs to dismantle and remove the solar farm. This has been reclassified as a provision, and is now shown as the brought forward balance on Provisions, in Note 15.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2018	*2017*
	£	*£*
Repayable by instalments	**2,828,569**	*3,263,733*
	2,828,569	*3,263,733*

The loan from group companies carries an interest rate of 8% (2017:8%) and annual repayments commenced December 2017 with all amounts due to be settled by December 2036.

14. Financial instruments

	2018	*2017*
	£	*£*
Financial assets		
Financial assets that are debt instruments measured at amortised cost	**38,968**	*91,311*
Financial liabilities		
Financial liabilities measured at amortised cost	**4,894,288**	*(4,554,221)*

Financial Liabilities measured at amortised cost comprise trade creditors, amounts owed to group companies and accruals. All financial liabilities are current with trade creditors due for payment in line with credit terms. Interest is charged on inter-group loans at a rate of 8% (2017:8%). No interest is charged and payable on the other financial liabilities.

15. Decommissioning Provision

	Restated
	£
At 1 January 2018	175,951
Charged to the profit or loss	5,884
At 31 December 2018	**181,835**

The provision above relates to expected demolition costs to dismantle and remove the solar farm. An amount equivalent to the discounted provision is capitalised within fixed assets and is depreciated over the useful lives of associated assets. The provision reflects the expected amount payable in 2052.

In 2017 the provision was included in Other creditors. The prior year's figures have been restated to show the amount in Provisions rather than in Other creditors. Note 13 has been restated to reflect this adjustment.

16. Share capital

	2018	*2017*
	£	*£*
Allotted, called up and fully paid		
2 *(2017 - 2)* Ordinary shares of £1.00 each	2	*2*

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights.

17. Reserves

The Company's other reserves are as follows:

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The profit and loss reserve represents cumulative profits or losses.

18. Commitments under operating leases

At 31 December 2018 the company had future minimum lease payments under operating leases as follows:

	2018 £	*2017* *£*
Not later than 1 year	**13,500**	*13,500*
Later than 1 year and not later than 5 years	**54,000**	*54,000*
Later than 5 years	**244,775**	*258,275*
	312,275	*325,775*

The company has the right to terminate the lease for the solar farm on twelve month's notice, but as this is unlikely, full disclosure of the rent commitment under the lease has been given above.

19. Controlling party

The parent company is PFA Infrastruktur Holdings Aps and the ultimate parent is PFA Holding A/S. Both companies are incorporated in Denmark. The ultimate controlling party is PFA Fonden (PFA Foundation), which is established in Denmark. The largest and smallest group into which these accounts are consolidated into is PFA Holding A/S. The consolidated accounts prepared by PFA Holding A/S are available from that company's registered address: Sundkrogsgade 4, 2100 Copenhagen, Denmark.