Company Registration No. 07296003 (England and Wales)

KS SPV 4 LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

COMPANY INFORMATION

Directors	C Tanner J Linney J Thompson J Elsworth M Ilg
Company number	07296003
Registered office	The Long Barn Manor Courtyard Stratton-On-The-Fosse Radstock BA3 4QF
Auditor	Old Mill Audit Limited Maltravers House Petters Way Yeovil Somerset BA20 1SH
Bankers	HSBC Bank PLC 8 Canada Square London E14 5HQ

CONTENTS

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

Principal activities
The company's principal activity is the financing and operation of a solar farm in Cornwall.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C Tanner	
J Linney	
J Thompson	
J Elsworth	
J Miletic	(appointed 21 April 2022) (terminated 13 July 2022)
M Ilg	(appointed 16 August 2022)

Going Concern
The directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate.

Further details regarding the adoption of the going concern basis can be found in note 1.3 of the Accounting Policies.

Qualifying third party indemnity provisions
The company has made qualifying third party indemnity provision for the benefit of its directors during the year. These provisions remain at the reporting date.

Financial risk management objectives and policies

Liquidity risk
The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business. The company has debt facilities with its parent Company to ensure that the company has sufficient funds over the life of the project.

Interest rate risk
The company's borrowings expose it to cash flow risk primarily due to the financial risk of changes in interest rates. The company uses a fixed rate loan to limit this risk.

Exposure to market prices
The company is exposed to long term electricity market prices for the sale of power. This risk has been partially mitigated by the company entering a short term fixed price Power Purchase Agreement ('PPA').

Credit risk
The company's principal financial assets are cash and trade and other receivables. The company's credit risk is primarily attributable to its trade receivables and accrued income which are with one counterparty. The company monitors the financial standing of that counterparty in order to manage its credit risk.

Energy yield risk
The company has, in preparing the project, engaged consultants to assess long term irradiation predictions and consequent energy yield for the given solar farms. It is recognised that while best practice methodologies were used in the Funder's satisfaction, there still remains a risk that energy yield may be less (or more) than modelled. The project was financed on an assumption that realistic downsides would not materially jeopardise the project. The company will continue to monitor performance against the modelled plan.

Future developments
The directors are not expecting, at the date of this report, of any major changes in the company's activities in the next year.

Auditor
The auditor, Old Mill Audit Limited, is deemed to be appointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor
Each of the directors in office at the date of approval of this annual report confirms 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 he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The company has taken advantage of the exemption under Companies Act 2006 section 414B Strategic report: small companies exemption and section 415A directors report: small companies exemption.

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

On behalf of the board

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J Thompson
Director
Date: 20 December 2023

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

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 the 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 FRS102 "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 and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 company 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.

Opinion

We have audited the financial statements of KS SPV4 Limited (the 'company') for the year ended 31 March 2023 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standard 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 (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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual 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 this regard.

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.

Matters on which we are required to report by exception

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 misstatement in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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 prepare the financial statements in accordance with small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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 form 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 intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risks of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting once resulting from error, as fraud may involve deliberate concealment by, for example, forgery of international misrepresentation, or through collusion.

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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Old Mill Audit Limited
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David Jones MSc ACA
for and on behalf of Old Mill Audit Limited
Senior Statutory Auditor
Maltravers House
Petters Way
Yeovil
Somerset
BA20 1SH
Date: 21/12/2023

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Turnover	3	1,245	1,028
Cost of sales		(539)	(467)
Gross Profit		706	561
Administrative expenses		(42)	(45)
Operating profit	6	664	516
Interest payable and similar expenses	7	(489)	(497)
Profit/(Loss) before taxation		175	19
Tax on profit/(loss)	8	4	(84)
Profit/(Loss) for the financial year		179	(65)
Other comprehensive income		-	-
Total comprehensive income/(expenditure) for the year		179	(65)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 11 to 24 form part of these financial statements.

BALANCE SHEET
AS AT 31 MARCH 2023

		2023		2022	
	Notes	**£'000**	**£'000**	**£'000**	**£'000**
Fixed assets					
Tangible assets	9		5,054		5,331
Current assets					
Debtors falling due within one year	10	373		458	
Cash at bank and in hand		120		64	
		493		522	
Creditors: amounts falling due within one year	11	(25)		(429)	
Net current assets/(liabilities) Being current assets less current liabilities			468		93
Total assets less current liabilities			5,522		5,424
Creditors: amounts falling due after more than one year	12		(6,480)		(6,569)
Provision for liabilities	16		(772)		(764)
Net liabilities			(1,730)		(1,909)
Capital and reserves					
Called up share capital	17		-		-
Profit and loss reserves	17		(1,730)		(1,909)
Total Equity			(1,730)		(1,909)

The notes on pages 11 to 24 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on ...20 December 2023...................... and are signed on its behalf by:

....

J Thompson
Director

Company Registration No. 07296003

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Called up share capital £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 April 2021	-	(1,844)	(1,844)
Year ended 31 March 2022:			
Total comprehensive loss for the year	-	(65)	(65)
Balance at 31 March 2022	-	(1,909)	(1,909)
Year ended 31 March 2023:			
Total comprehensive income for the year	-	179	179
Balance at 31 March 2023	-	(1,730)	(1,730)

The notes on pages 11 to 24 form part of these financial statements.

1 Accounting policies

Company Information

KS SPV 4 Limited is a private Company limited by shares, domiciled and incorporated in the United Kingdom and registered in England and Wales. The registered office is The Long Barn, Manor Courtyard, Stratton-On-The-Fosse, Radstock, BA3 4QF and its registered number is 07296003.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") and the requirements of the Companies Act 2006.

The financial statements are prepared in pounds sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Financial reporting standard 102 – reduced disclosure exemptions

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assess, liabilities, financial position and profit or loss of the group.

The company has therefore taken advantage of the following disclosure exemptions in preparing these financial statements:

- the requirement of Section 7 Statement of Cash Flows
- the requirement of Section 11 Financial Instruments paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c),
- the requirements of Section 12 Financial Instruments paragraphs 12.26 (in relation to those cross-referenced paragraphs from which a disclosure exemption is available), 12.27, 12.29(a), 12.29(b), 12.29A and 12.30.
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Branden Solar Parks (Holdings) Limited as at 31 March 2023, and these financial statements may be obtained from Long Barn, Manor Courtyard, Stratton-On-The-Fosse, Radstock, BA3 4QF.

1 Accounting policies **(continued)**

1.3 Going Concern
At the time of approving the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operation existence for the foreseeable future. Thus the directors continue to adapt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover
Turnover is recognised as the fair value of consideration received or receivable for energy generated, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.5 Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Plant and equipment	25 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets
At each report end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

1 Accounting polices **(Continued)**

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating-unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments
The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the balance sheet, when there is a legally enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basis financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Loans and receivables
Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loan and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant year. The effective rate of interest is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

1 Accounting policies **(continued)**

Classification of financial liabilities
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.

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow Group Companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs. They 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 year. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

1.9 Equity instruments
Equity instrument issued by the company are recorded as the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Leases
Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1 Accounting policies **(Continued)**

1.11 Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit not the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets 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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Provisions
Decommissioning
Provisions for future decommissioning costs is made in full when the company has an obligation to dismantle and remove a facility, to restore the site on which it is located, and when a reasonable estimate of that liability can be made.

The amount recognised is the present value of the estimated future expenditure. An amount equivalent to the discounted initial provision for decommissioning costs is capitalised as part of the underlying fixed asset and depreciated over the life of that asset. Any change in the present value of the estimated expenditure resulting from changes in expected cash flows, inflation or discount rate is reflected as an adjustment to the provision and the underlying asset.

The unwinding of the discounts is recognised as a finance cost in profit or loss in the year it arises.

1 Accounting policies (Continued)

Other

Provisions are recognised when The company has a legal or constructive present obligation 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 reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent form 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 year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

There are no critical accounting judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

2 Critical accounting judgements and key sources of estimation uncertainty (Continued)

Recoverability of tangible fixed assets

During the year, management considered whether there were any indicators of impairment of the tangible fixed assets included in the balance sheet of £5,054,280 (2022: £5,331,238). The project continues to perform in a satisfactory manner, however, due to an increase in expected future floating power prices received and historical performance against budget, management has reconsidered the power price and generation assumptions reflected in its long-term projections. Detailed sensitivity analysis has been carried out and management is confident that the carrying amount of the tangible fixed asset will be recovered in full through use. As a result, no indicators of impairment were identified, however this situation will be closely monitored, and adjustments made in future years if future market activity indicates that adjustments are appropriate.

Decommissioning provision

The company has a decommissioning provision resulting from its obligation at the end of the license period to return the solar farm site to its original state and condition. The calculation used to estimate the future expected cost of decommissioning the site is based on a historic estimate of per panel cost plus anticipated fixed cost overheads provided by a qualified third-party consultant, discounted back to present value at a suitable discount rate. The net present value of the provision at the balance sheet date was £644,159 (2022: £633,391). Details of the provision are set out in note 16. The directors will continue to monitor market prices for decommissioning works for indications of material changes to the assumptions underlying the decommissioning provision calculation.

3 Turnover and other revenue

	2023	2022
	£'000	£'000
Turnover analysed by class of business		
Renewable Obligation Certificate revenue and Power Purchase Agreement revenue	1,245	971
Insurance income	-	57
	1,245	1,028

	2023	2022
	£'000	£'000
Turnover analysed by geographical market		
United Kingdom	1,245	1,028

Turnover is derived from the sale of electricity and the sale of renewable energy certificates to a third party energy supplier in the UK. Turnover is recognised at the point of generation.

4 Employees

The average monthly number of employees, including directors, during the year was 0 (2022:0).

5 Directors' remuneration

No directors received any remuneration for services to the company during the current or prior year.

6 Operating profit

	2023 £'000	2022 £'000
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	6	6
Depreciation of owned tangible fixed assets	277	277
Operating lease charges	60	55

7 Interest payable and similar expense

	2023 £'000	2022 £'000
Interest payable to parent undertaking	489	497
Total interest expense	489	497

8 Taxation

	2023 £'000	2022 £'000
Current tax		
UK Corporation tax on profits for the current year	-	-
Deferred tax		
Changes in tax rates	-	31
Adjustment in respect of prior years	(6)	42
Accelerated capital allowances	2	11
Total deferred tax	(4)	84
Total tax charge	(4)	84

8 Taxation (Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £'000	2022 £'000
Profit/(Loss) before taxation	175	19
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	33	4
Tax effect on the expenses that are not deductible in determining taxable profit	9	7
Effect of change in corporation tax rate	-	31
Prior year adjustments – deferred tax	(6)	42
Group relief	(40)	
Total tax charge	(4)	84

For the year ended 31 March 2023, the UK Corporation tax rate of 19% is applied.

9 Tangible fixed assets

	Plant and equipment £'000
Cost	
At 1 April 2022 and 31 March 2023	7,761
Depreciation and impairment	
At 1 April 2022	2,430
Depreciation charged in the year	277
At 31 March 2023	2,707
Carrying amount	
At 31 March 2023	5,054
At 31 March 2022	5,331

10 Debtors

	2023 £'000	2022 £'000
Amounts falling due within one year:		
Trade debtors	6	-
Amounts owed by parent undertakings	275	296
Prepayments and accrued income	92	162
	373	458

11 Creditors: amounts falling due within one year

	Notes	2023 £'000	2022 £'000
Trade creditors		-	3
Amounts owed to parent undertakings		-	381
Accruals and deferred income		25	29
Other Creditors		-	16
		25	429

12 Creditors: amounts falling due after more than one year

	Notes	2023 £'000	2022 £'000
Amounts owed to parent undertakings		6,480	6,569
Amounts included above which fall due after five years are as follows:			
Payable by instalments		6,480	4,666
		6,480	4,666

13 Loans and overdrafts

	2023 £'000	2022 £'000
Loans from parent undertakings	6,480	6,950
Payable within one year	-	381
Payable after one year	6,480	6,569
	6,480	6,950

13 Loans and overdrafts **(Continued)**

The loans are secured by a fixed and floating charge over all the assets of the company and a charge over the shares of the company.

Senior Debt

The company has a senior debt facility of £6,581,000 with its immediate parent Company, from which unsecured fixed rate loan notes due December 2027 bearing an interest rate of 2.3% per annum plus a 3.25% margin per annum may be drawn. The principal amount of the company's unsecured senior debt fixed rate loan notes is limited to £6,581,000, plus any unpaid interest added to the loan at the option of the borrower under the terms of the facility. Loan repayments are made in instalments over the life of the loan based on an agreed repayment profile and are deemed cancelled on repayment. The principal amount of the company's unsecured senior debt fixed rate loan notes outstanding at 31 March 2023 was £2,851,572 (2022: £3,474,025). Interest prepaid as at 31 March 2023 was £8,981 (2022: £3,450) and £87,547 (2022: £102,194) of unpaid interest was added to the principal during the year. Also included within loans from parent undertakings are the amortised financing costs of £77,500 (2022: £82,707). These costs have been pushed down by the parent Company.

Subordinated debt

The company has a subordinated debt facility of £2,672,000 with its immediate parent Company, from which unsecured fixed rate loan notes due December 2035 bearing an interest rate of 8.5% per annum may be drawn. The principal amount of the company's unsecured subordinated debt fixed rate loan notes is limited to £2,672,000, plus any unpaid interest added to the loan at the option of the borrower under the terms of the facility. Loan repayments are made in instalments over the life of the loan based on an agreed repayment profile and are deemed cancelled on repayment. The principal amount of the company's unsecured subordinated debt fixed rate loan notes outstanding at 31 March 2023 was £3,715,357 (2022: £3,561,943). Interest accrued as at 31 March 2023 was £nil (2022: £Nil) and £153,415 (2022: £147,080) of unpaid interest was added to the principal during the year.

14 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2023 £'000	Liabilities 2022 £'000
Accelerated capital allowances	244	242
Tax losses	(117)	(111)
	127	131

	£'000
Movements in the year:	
Liability at 1 April 2022	131
Charge to profit or loss	(4)
Liability at 31 March 2023	127

15 Operating lease commitments

Lessee

The Company has entered into 25 years lease arrangements with land owners at Victoria in Cornwall, expiring on 1 October 2037.

At the report end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £'000	2022 £'000
Within one year	67	59
Between two and five years	268	236
In over five years	704	621
	1,039	916

16 Provisions for liabilities

	Notes	2023 £'000	2022 £'000
Decommissioning provision		645	633
Deferred tax liabilities	14	127	131
		764	764

Movement on provisions apart from deferred tax liabilities

	Decommissioning provision £'000
At 1 April 2022	633
Unwinding of discount	12
At 31 March 2023	645

The company's decommissioning provision results from its obligation at the end of the license period to return the solar farm sites to their original state and condition. The company has estimated the net present value of the decommissioning provision to be £644,159 as at 31 March 2023 (2022: £633,391)

17 Share capital

	2023 £'000	2022 £'000
Ordinary share capital		
Issues and fully paid		
1 Ordinary share of £1 each	-	-

The company has one class of Ordinary shares which carry no right to fixed income.

Profit and loss reserves

The profit and loss reserve represents cumulative profits or losses.

18 Related Party transactions

The company has also taken advantage of the exemption under FRS102 Section 33.1a from disclosing transactions with entities that are wholly owned within the group.

19 Controlling party

The company's ultimate parent and controlling entity is JLEN Environmental Assets Group (UK) Limited, a company incorporated in Guernsey, Channel Islands, with a registered address of Sarnia House, Le Truchot, St. Peter Port, Guernsey, GY1 4NA. This is also the largest group in which its accounts are consolidated.

Copies of the financial statements of JLEN Environmental Assets Group (UK) Limited are available from the website www.jlen.com.

The company's immediate parent company is Branden Solar Parks Limited, a company incorporated in Great Britain and registered in England and Wales. The smallest Group in which its results are consolidated is Branden Solar Parks (Holdings) Limited, which has a registered address of The Long Barn, Manor Courtyard, Stratton-On-The-Fosse, Radstock, BA3 4QF. Copies of the consolidated financial statements are available from Companies House.

DETAILED TRADING PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

The following pages do not form part of the financial statements