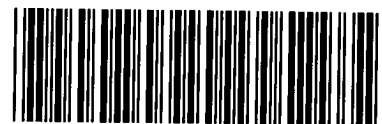


Registered number: 07697487

SONSTE LIMITED
Annual report and financial statements
Abbreviated Accounts
For the Year Ended 31 December 2014

TUESDAY



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SONSTE LIMITED

Independent Auditors' Report to Sonste Limited

Under Section 449 of the Companies Act 2006

We have examined the abbreviated financial statements set out on pages 2 to 6, together with the financial statements of Sonste Limited for the year ended 31 December 2014 prepared under section 396 of the Companies Act 2006.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

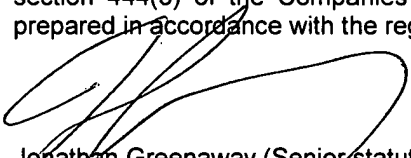
This report, including the opinion, has been prepared for and only for the company for the purpose of section 449 of the Companies Act 2006 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.



Jonathan Greenaway (Senior statutory auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne

23 September 2015

SONSTE LIMITED
Registered number: 07697487

Abbreviated Balance Sheet
As at 31 December 2014

| | Note | £ | 2014 £ | £ | 2013 £ |
|--|------|------------------|--------------------|------------------|--------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 2 | | 36,933 | | 27,446 |
| Investments | 3 | | 973,949 | | 973,949 |
| | | | <u>1,010,882</u> | | <u>1,001,395</u> |
| CURRENT ASSETS | | | | | |
| Stocks | | 34,275 | | - | |
| Debtors: amounts falling due after more than one year | 4 | 6,198,144 | | 6,385,330 | |
| Debtors: amounts falling due within one year | 4 | 1,107 | | 6,565 | |
| Cash at bank | 5 | 284,925 | | 532,751 | |
| | | <u>6,518,451</u> | | <u>6,924,646</u> | |
| CREDITORS: amounts falling due within one year | | <u>(579,867)</u> | | <u>(897,071)</u> | |
| NET CURRENT ASSETS | | | <u>5,938,584</u> | | <u>6,027,575</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>6,949,466</u> | | <u>7,028,970</u> |
| CREDITORS: amounts falling due after more than one year | 6 | | <u>(4,830,711)</u> | | <u>(5,010,000)</u> |
| PROVISIONS FOR LIABILITIES | | | | | |
| Deferred tax | | | (108) | | - |
| NET ASSETS | | | <u>2,118,647</u> | | <u>2,018,970</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 7 | | 20,000 | | 20,000 |
| Share premium account | | | 1,880,000 | | 1,880,000 |
| Profit and loss account | | | 218,647 | | 118,970 |
| SHAREHOLDERS' FUNDS | | | <u>2,118,647</u> | | <u>2,018,970</u> |

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 23 September 2015.



Director

TRACEY SPARACK FOR OCS SERVICES LTD
The notes on pages 3 to 6 form part of these financial statements.

SONSTE LIMITED

Notes to the Abbreviated Accounts For the Year Ended 31 December 2014

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Consolidation

In the opinion of the directors, the company and its subsidiary undertaking constitute a small group. The company has therefore taken advantage of the exemption provided by section 398 of the Companies Act 2006 not to prepare group financial statements.

Going concern

The financial statements have been prepared on the going concern basis. The directors have prepared forecasts and reviewed capital requirements for twelve months from the date of approving these financial statements, which indicate the business can continue to trade for at least twelve months.

Turnover

Turnover comprises income receivable from the energy generated during the period. Any uninvoyed income is accrued in the period in which it has been generated.

Tangible assets and depreciation

Plant and machinery represents the costs of construction of solar plants: solar panels, civil/structural and electrical costs, grid connection, planning and professional fees capitalised and depreciated at 4% per annum on a straight line basis. Costs of transformers, inverters and cabling are being depreciated at 10% per annum on a straight line basis.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---------------------|---|--------------------------|
| Plant and machinery | - | 4% and 10% straight line |
|---------------------|---|--------------------------|

Investments

Investments held as fixed assets are shown at cost less provision for impairment.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

SONSTE LIMITED

Notes to the Abbreviated Accounts For the Year Ended 31 December 2014

1. ACCOUNTING POLICIES (continued)

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of the financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. TANGIBLE ASSETS

| | £ |
|--|----------------|
| Cost | |
| At 1 January 2014 and 31 December 2014 | <u>41,204</u> |
| Accumulated depreciation | |
| At 1 January 2014 | 13,758 |
| (Credit) for the year | <u>(9,487)</u> |
| At 31 December 2014 | <u>4,271</u> |
| Net book value | |
| At 31 December 2014 | <u>36,933</u> |
| At 31 December 2013 | <u>27,446</u> |

3. INVESTMENTS

| | £ |
|--|----------------|
| Cost | |
| At 1 January 2014 and 31 December 2014 | <u>973,949</u> |
| Net book value | |
| At 31 December 2014 | <u>973,949</u> |
| At 31 December 2013 | <u>973,949</u> |

Subsidiary undertakings

The company owns 100% of the ordinary share capital of MSP Strete Ltd, a company registered in England and Wales.

SONSTE LIMITED

Notes to the Abbreviated Accounts For the Year Ended 31 December 2014

4. DEBTORS

Included within amounts owed by group undertakings are unsecured loans with year end balances totalling £6,198,144 (2013: £6,385,330). The loans bear interest at 8% (2013: 8%), and are repayable after more than five years.

5. RESTRICTED CASH

An amount of £38,700 (2013: £nil) of the total £284,925 (2013: £532,751), has been restricted for a specific purpose and is not available for immediate and general use.

6. CREDITORS:

Amounts falling due after more than one year

Included within debenture loans is an amount of £4,830,711 (2013: £5,010,000) which is secured by a fixed and floating charge over the assets of the company. The loan bears interest at 8% (2013: 8%) and is repayable after more than five years.

7. SHARE CAPITAL

| | 2014 £ | 2013 £ |
|---|---------------|---------------|
| Allotted, called up and fully paid | | |
| 2,000,002 (2013: 2,000,000) Ordinary shares of £0.01 each | <u>20,000</u> | <u>20,000</u> |

In the prior year, there were two deferred shares at £0.01 each in issue of which have been redeemed in the current year.

8. RELATED PARTY TRANSACTIONS

During the year ended 31 December 2014, the company was charged £8,532 (2013: £10,473) and £142 (2013: £3,747) in respect of management fees and rechargeable expenses respectively by Lightsource Renewable Energy Limited, a related party due to its significant influence over the entity. At the year end, no amount (2013: £nil) was outstanding. Lightsource Renewable Energy Limited were the holders of the deferred shares in issue.

During the year, monitoring fees of £29,652 (2013: £84,615) were charged by Octopus Investments Limited, a related party due to its significant influence over the entity. Octopus Investments Limited also recharged legal fees totalling £132 (2013: £915) to the company. At the year end, no amount (2013: £19,418) was outstanding (2013: £19,418 included within trade creditors)..

During the year, the company met expenditure of £576,823 (2013: £4,794,039) and received cash of £1,072,642 (2013: £587,662) on behalf of its wholly owned subsidiary, MSP Strete Ltd. The company also charged interest of £493,848 (2013: £422,936) to MSP Strete Ltd. At 31 December 2014, £5,712,670 (2013: £5,842,227) was outstanding of which £6,198,144 (2013: £6,385,330) is included in debtors and £485,474 (2013: £543,103) is included in creditors.

P S Latham is a director of Fern Trading Limited. During the year a loan totalling £390,000 (2013: £2,505,000) was received from Fern Trading Limited. Interest of £389,444 (2013: £200,973) has been charged to the company during the year. Repayments of £569,289 (2013: £nil) have been made in the year. The total amount owing to Terido LLP at the end of the year was £4,830,711 (2013: £5,010,000).

SONSTE LIMITED

Notes to the Abbreviated Accounts For the Year Ended 31 December 2014

9. CONTROLLING PARTY

The directors do not consider the company to have an ultimate controlling party or parent company, by virtue of a split holding in its shares. The results of the company are not consolidated within any other company.