

Company registration number 07893854 (England and Wales)

SOLAR CAPTURE TECHNOLOGIES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
PAGES FOR FILING WITH REGISTRAR

SOLAR CAPTURE TECHNOLOGIES LIMITED

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SOLAR CAPTURE TECHNOLOGIES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	as restated	£
Fixed assets					
Intangible assets	3		737,464		512,710
Tangible assets	4		650,007		750,787
			<u>1,387,471</u>		<u>1,263,497</u>
Current assets					
Stocks	5	74,959		61,588	
Debtors	6	146,810		142,220	
Cash at bank and in hand		-		53,360	
		<u>221,769</u>		<u>257,168</u>	
Creditors: amounts falling due within one year	7	<u>(889,034)</u>		<u>(513,214)</u>	
Net current liabilities			<u>(667,265)</u>		<u>(256,046)</u>
Total assets less current liabilities			<u>720,206</u>		<u>1,007,451</u>
Creditors: amounts falling due after more than one year	8		<u>(2,006,338)</u>		<u>(1,897,730)</u>
Net liabilities			<u>(1,286,132)</u>		<u>(890,279)</u>
Capital and reserves					
Called up share capital			1		1
Other reserves			56,450		56,450
Profit and loss reserves			<u>(1,342,583)</u>		<u>(946,730)</u>
Total equity			<u>(1,286,132)</u>		<u>(890,279)</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

SOLAR CAPTURE TECHNOLOGIES LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2023

The financial statements were approved by the board of directors and authorised for issue on 26 March 2024 and are signed on its behalf by:

S Caseley
Director

Company Registration No. 07893854

SOLAR CAPTURE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Solar Capture Technologies Limited is a private company limited by shares incorporated in England and Wales. The registered office is Photovoltaic Technical Centre, Albert Street, Blyth, Northumberland, NE24 1LZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

1.2 Going concern

At the year end the company had net current liabilities of £667,265 (2022 - £256,046) and net liabilities of £1,286,132 (2022 - £890,279). At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, 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.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets other than goodwill

Development expenditure including supplier and labour costs are capitalised once the technical, commercial and financial feasibility can be demonstrated.

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

Development costs	15 years straight line
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Development costs are not amortised until they are in use. The amortisation rate is based upon the Director's assessment of the expected life of the Development Costs. This is reassessed each year and where there are any concerns that the remaining useful life of the Development Costs are reduced, the amortisation is adjusted accordingly.

1.6 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.

SOLAR CAPTURE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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 bases:

Leasehold land and buildings	18% straight line
Plant and equipment	20% straight line and 10% straight line
Computer equipment	33% straight line
Motor vehicles	25% reducing balance

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.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

1.8 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.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position 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 financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic 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.

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.

SOLAR CAPTURE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

1.10 Equity instruments

Equity instruments issued by the company are recorded at 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.

1.11 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 income statement because it excludes items of income or expense 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 nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, 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 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

SOLAR CAPTURE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.14 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.

1.15 Government grants

Government grants are recognised at the fair value of the amount received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to fixed assets are recognised under the Accruals Method and are taken to the Statement of Financial Position as a liability. The grant liability is split between amounts due less than and more than one year, being amortised into the Income Statement on a systematic basis in line with the amortisation of the assets to which the grant relates.

Government grants relating to revenue items are taken to the Income Statement when performance conditions are met, otherwise they are shown as deferred income liabilities until such time the performance conditions are met.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	15	17

3 Intangible fixed assets

	Development costs £
Cost	
At 1 January 2023	512,710
Additions	224,754
At 31 December 2023	737,464
Amortisation and impairment	
At 1 January 2023 and 31 December 2023	-
Carrying amount	
At 31 December 2023	737,464
At 31 December 2022	512,710

SOLAR CAPTURE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2023	295,892	922,760	31,556	13,138	1,263,346
Additions	30,815	737	-	-	31,552
At 31 December 2023	326,707	923,497	31,556	13,138	1,294,898
Depreciation and impairment					
At 1 January 2023	71,728	420,029	15,602	5,200	512,559
Depreciation charged in the year	54,265	64,832	9,950	3,285	132,332
At 31 December 2023	125,993	484,861	25,552	8,485	644,891
Carrying amount					
At 31 December 2023	200,714	438,636	6,004	4,653	650,007
At 31 December 2022	224,164	502,731	15,954	7,938	750,787

5 Stocks

	2023 £	2022 £
Stocks	74,959	61,588

6 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	111,087	-
Corporation tax recoverable	6,067	28,351
Other debtors	-	51,781
Prepayments and accrued income	29,656	62,088
	146,810	142,220

SOLAR CAPTURE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Creditors: amounts falling due within one year

		2023 £	2022 £
Bank loans and overdrafts	9	60,048	10,000
Trade creditors		279,455	152,860
Taxation and social security		13,666	13,061
Deferred government grants	10	55,740	-
Other creditors		458,923	325,253
Accruals		21,202	12,040
		<u>889,034</u>	<u>513,214</u>

Included within other creditors due within one year are amounts owed to directors of £454,469 (2022: £324,507).

Included in the statement of financial position are unpaid pension contributions of £4,592 (2022: £nil).

8 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans and overdrafts	9	1,359,965	1,279,406
Government grants	10	646,373	618,324
		<u>2,006,338</u>	<u>1,897,730</u>

9 Loans and overdrafts

	2023 £	2022 £
Bank loans	1,369,965	1,289,406
Bank overdrafts	50,048	-
	<u>1,420,013</u>	<u>1,289,406</u>
Payable within one year	60,048	10,000
Payable after one year	<u>1,359,965</u>	<u>1,279,406</u>

SOLAR CAPTURE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Government grants

	2023 £	2022 £
Arising from government grants	702,113	618,324
Included in the financial statements as follows:		
Current liabilities	55,740	-
Non-current liabilities	646,373	618,324
	702,113	618,324

Deferred government grants are released in line with depreciation or amortisation on the corresponding assets.

11 Operating lease commitments

Lessee

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

	2023 £	2022 £
	253,333	333,333

12 Prior period adjustment

Reconciliation of changes in equity

	1 January 2022 £	31 December 2022 £
Adjustments to prior year		
Capitalise intangible assets	103,397	512,711
Correct deferred government grants	(93,058)	(461,440)
Correct incorrect depreciation	38,913	46,398
Total adjustments	49,252	97,669
Equity as previously reported	(794,775)	(987,948)
Equity as adjusted	(745,523)	(890,279)
Analysis of the effect upon equity		
Profit and loss reserves	49,252	97,669

SOLAR CAPTURE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Prior period adjustment (Continued)

Reconciliation of changes in loss for the previous financial period	2022 £
Adjustments to prior year	
Capitalise intangible assets	409,313
Correct deferred government grants	(368,382)
Correct incorrect depreciation	7,486
	<hr/>
Total adjustments (improvement) to the YE 2022 results	48,417
Loss as previously reported	(193,173)
	<hr/>
Loss as adjusted	(144,756)
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Notes to reconciliation

Following a review of the prior year accounting transactions it has been concluded that underlying accounting records were classified incorrectly in relation to capitalisation of intangible assets, classification of deferred government grants and depreciation on tangible fixed assets. This has resulted in the prior period adjustment above.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.