Company Registration No. 08084105 (England and Wales)

AMBER SOLAR PARKS (HOLDINGS) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

AMBER SOLAR PARKS (HOLDINGS) LIMITED

COMPANY INFORMATION

Directors	C J Tanner J M Linney
Company number	08084105
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

21 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.

22 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 Amber Solar Parks (Holdings) Limited, a company incorporated in Great Britain and registered in England and Wales. The smallest group in which its results are consolidated is Amber 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.

AMBER SOLAR PARKS (HOLDINGS) LIMITED

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

Principal activities
The company operates principally as a holding company for Amber Solar Parks Limited. The principal activity of the group is the generation of renewable energy through harnessing solar power and supplying energy produced to the national grid. The group currently owns two solar parks in Hampshire and West Sussex.

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

C J Tanner
J M Linney

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 group has made qualifying third party indemnity provision for the benefit of its directors and subsidiaries during the year. These provisions remain in force at the reporting date.

Dividends
The directors recommended an interim dividend of £1,300,000 (0.22p per ordinary share) to be paid on 30 September 2022 to ordinary shareholders on the register on 30 September 2022. The directors recommended an interim dividend of £800,000 (0.14p per ordinary share) to be paid on 31 December 2022 to ordinary shareholders on the register on 31 December 2022. The directors recommended a final dividend of £1,800,000 (0.31p per ordinary share) to be paid on 31 March 2023 to ordinary shareholders on the register on 31 March 2023.

Financial risk management objectives and policies

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

Interest rate risk
The group's borrowings expose it to cash flow risk primarily due to the financial risk of changes in interest rates. The group 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 Power Purchase Agreements ('PPA').

Credit risk
The group's principal financial assets are cash and trade and other receivables. The group's credit risk is primarily attributable to its trade receivables and accrued income which are with two counterparties. The group monitors the financial standing of those counterparties in order to manage their credit risk.

Energy yield risk
The group has, in preparing the project, engaged consultants to assess long term irradiation predictions and consequent energy yield for the given solar parks. 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 group 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 group'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 group'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 group'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

J Linney

J M Linney
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 financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 group for that year. 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 Amber Solar Parks (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group profit and loss, the group balance sheet, the company balance sheet and notes to the financial statements. Including a summary of significant account policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, include 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 group's and of the parent company's affairs as at 31 March 2023 and of the group's profit for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including; 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the word we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt about the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The 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 this gives rise to 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 group and the parent company and their 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 matter 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.

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 group's and the parent 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 group or the parent 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 group 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

GROUP 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	5,129	4,283
Cost of sales		(1,884)	(1,752)
Gross Profit		3,245	2,531
Administrative expenses		(85)	(94)
Operating profit	6	3,160	2,437
Interest payable and similar expenses	7	(740)	(730)
Profit before taxation		2,420	1,707
Tax on profit	8	26	(118)
Profit for the financial year		2,446	1,589
Other comprehensive income		-	-
Total comprehensive income for the year		2,446	1,589

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

The notes on pages 13 to 29 form part of these financial statements.

GROUP BALANCE SHEET
AS AT 31 MARCH 2023

		2023		2022	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	9		7,024		7,532
Tangible assets	10		13,409		14,247
			20,433		21,779
Current assets					
Debtors falling due within one year	12	426		575	
Cash at bank and in hand		165		145	
		591		720	
Creditors: amounts falling due within one year	13	(64)		(1,169)	
Net current (liabilities) being total current assets less current liabilities			527		(449)
Total assets less current liabilities			20,960		21,330
Creditors: amounts falling due after more than one year	14		(12,100)		(11,005)
Provision for liabilities	16		(1,277)		(1,288)
Net assets			7,583		9,037
Capital and reserves					
Called up share capital	19		5,747		5,747
Other reserves			5,368		5,368
Profit and loss reserves			(3,532)		(2,078)
Total Equity			7,583		9,037

The notes on pages 13 to 29 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:

JLinney

J M Linney
Director

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Fixed assets					
Investments	11		11,115		11,115
Current assets					
Debtors falling due after more than one year	12	665		665	
Debtors falling due within one year	12	-		-	
		665		665	
Creditors: amounts falling due within one year	13	-		-	
Net current assets being total current assets less current liabilities			665		665
Total assets less current liabilities			11,780		11,780
Creditors: amounts falling due after more than one year	14		(665)		(665)
Net assets			11,115		11,115
Capital and reserves					
Called up share capital	19		5,747		5,747
Other reserves			5,368		5,368
Profit and loss reserves			-		-
Total Equity			11,115		11,115

The notes on pages 13 to 29 form part of these financial statements.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £3,900,000 (2022: £2,800,000).

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 M Linney
Director

Company Registration No. 08084105

AMBER SOLAR PARKS (HOLDINGS) LIMITED

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

	Called up share capital £'000	Other reserves £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 April 2021	5,747	5,368	(867)	10,248
Year ended 31 March 2022:				
Profit and total comprehensive income for the year	-	-	1,589	1,589
Dividends (Note: 20)			(2,800)	(2,800)
Balance at 31 March 2022	5,747	5,368	(2,078)	9,037
Year ended 31 March 2023:				
Profit and total comprehensive income for the year	-	-	2,446	2,446
Dividends (Note: 20)	-	-	(3,900)	(3,900)
Balance at 31 March 2023	5,747	5,368	(3,532)	7,583

The notes on pages 13 to 29 form part of these financial statements.

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

	Called up share capital £'000	Other reserves £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 April 2021	5,747	5,368	-	11,115
Year ended 31 March 2022:				
Profit and total comprehensive income for the year	-	-	2,800	2,800
Dividends (Note: 20)			(2,800)	(2,800)
Balance at 31 March 2022	5,747	5,368	-	11,115
Year ended 31 March 2023:				
Profit and total comprehensive income for the year	-	-	3,900	3,900
Dividends (Note: 20)			(3,900)	(3,900)
Balance at 31 March 2023	5,747	5,368	-	11,115

The notes on pages 13 to 29 form part of these financial statements.

1 Accounting policies

Company Information
Amber Solar Parks (Holdings) 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 08084105.

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.

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.

Amber Solar Parks (Holdings) Limited is a wholly owned subsidiary of JLEN Environmental Assets Group (UK) Limited and the result of Amber Solar Parks (Holdings) Limited are included within the consolidated financial statements of JLEN Environmental Assets Group (UK) Limited which are available from C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London, SE1 9SG.

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 group and 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 JLEN Environmental Asset Group (UK) Limited as at 31 March 2023, and these financial statements may be obtained from C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London, SE1 9SG.

1 *Accounting polices* ***(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 Intangible fixed assets other than goodwill

Intangible assets required separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combination are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

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 basis:

Licences, planning permission and development	25 years straight line

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.

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 amount of the assets, and is credited or charged to profit or loss.

1 Accounting polices **(Continued)**

1.7 Fixed asset investments

Interest in subsidiaries, associates and jointly controlled entities are initially measured at costs and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit and loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each report end date, the group reviews the carrying amounts of its tangible and intangibles 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 group 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.

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 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 currently liabilities.

1 Accounting polices **(Continued)**

1.10 Financial instruments

The group 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 group's balance sheet when the group 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

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 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised immediately in the statement of comprehensive income except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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)**

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence than, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit and loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 group 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.

1 Accounting policies (Continued)

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 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.

Derecognition of financial liabilities
Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments
Equity instrument issued by the group 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 group.

1.12 Leases
Rentals payable under the operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1.13 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 group'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.

1 Accounting policies **(Continued)**

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.

1.14 Provisions

Decommissioning

Provisions for future decommissioning costs is made in full when the group 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.

Other

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group 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.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the year.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the group'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 year 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.

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 £13,409,269 (2022: £14,247,830). Detailed sensitivity analysis has been carried out and management is confident that the carrying amount of the tangible fixed assets 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 indicated that adjustments are appropriate.

Decommissioning provision
The group has a decommissioning provision resulting from its obligation at the end of the license period to return the solar park sites 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 £947,774 (2022: £931,931). 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

	Group 2023 £'000	Group 2022 £'000
Turnover analysed by class of business		
Feed in tariff revenue	3,973	3,597
Power Purchase Agreement revenue	1,156	686
	5,129	4,283

	2023 £'000	2022 £'000
Turnover analysed by geographical market		
United Kingdom	5,129	4,283

Turnover is derived from the sale of electricity to two third party energy suppliers in the UK and through the government's Feed in Tariff scheme. Turnover is recognised at the point of generation.

Exceptional income is a refund of business rates due to transitional relief.

4 Employees

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

5 Directors' remuneration

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

6 Operating profit

	Group 2023 £'000	Group 2022 £'000
Operating profit for the year/period is stated after charging:		
Fees payable to the company's auditor for the audit of the company's and group's financial statements	12	16
Depreciation of owned tangible fixed assets	882	861
Amortisation of intangible assets	508	506
Operating lease charges	128	121

7 Interest payable and similar expense

	2023 £'000	2022 £'000
Interest payable to group undertaking	740	730
Total interest expense	740	730

8 Taxation

	2023 £'000	2022 £'000
Current tax		
UK Corporation tax adjustment in respect of prior year	-	-
Deferred tax		
Effect of change in tax rates	-	85
Adjustment in respect of prior years	(15)	29
Other adjustments	(11)	4
Total deferred tax	(26)	118
Total tax charge / (credit)	(26)	118

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

	2023 £'000	2022 £'000
Profit before taxation	2,420	1,707
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19%)	460	324
Tax effect on the expenses that are not deductible in determining taxable profit	137	107
Effect of change in corporation tax rate	145	85
Prior year adjustments – deferred tax	(15)	29
Adjustment for group relief	(753)	(427)
Total tax charge / (credit)	(26)	118

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

9 Intangible fixed assets

Group	Licences, planning permission and development £'000
Cost	
At 1 April 2022 and 31 March 2023	12,418
Amortisation and impairment	
At 1 April 2022	4,886
Amortisation charged for the year	508
At 31 March 2023	5,394
Carrying amount	
At 31 March 2023	7,024
At 31 March 2022	7,532

The company had no intangible fixed assets at 31 March 2023 or 31 March 2022.

10 Tangible fixed assets

Group	Plant and equipment £'000
Cost	
At 1 April 2022	23,235
Additions throughout the year	44
At 31 March 2023	23,279
Depreciation and impairment	
At 1 April 2022	8,988
Depreciation charged in the year	882
At 31 March 2023	9,870
Carrying amount	
At 31 March 2023	13,409
At 31 March 2022	14,247

The company had no tangible fixed assets at 31 March 2023 or 31 March 2022.

11 Fixed asset investments

	Notes	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Investment in subsidiaries	21	-	-	11,115	11,115

12 Debtors

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Amounts falling due within one year:				
Corporation tax recoverable	87	87	-	-
Prepayments and accrued income	339	488	-	-
	426	575	-	-
Amounts falling due after more than one year:				
Amounts due from subsidiary undertakings	-	-	665	665
	-	-	665	665
Total debtors	426	575	665	665

Amounts due from subsidiary undertakings are repayable on demand.

13 Creditors: amounts falling due within one year

		Group		Company	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
	Notes				
Amounts owed to parent undertakings	15	-	1,095	-	-
VAT Control account		9	10	-	-
Accruals and deferred income		55	64	-	-
		64	1,169	-	-

14 Creditors: amounts falling due after more than one year

		Group		Company	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
	Notes				
Amounts due to parent undertaking	15	12,100	11,005	665	665

Amounts included above which fall due after five years are as follows:

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Payable by instalments	12,100	5,862	-	-
Payable other than instalments	-	-	-	-
	12,100	5,862	-	-

15 Loans and overdrafts

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Loans due to parent undertakings	12,100	12,100	665	665
Payable within one year	-	1,095	-	-
Payable after one year	12,100	11,005	665	665
	12,100	12,100	665	665

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

15 Loans and overdrafts (Continued)

Senior Debt

On 3 April 2014, the group entered into a principal loan agreement with its parent company for the amount of £24,386,000 bearing an interest rate of 5.65% stepping up to 5.9% on 30 June 2017. Loan repayments are made in instalments over the life of the loan by 31 December 2032 based on an agreed repayment profile. The principal amount of the group's unsecured senior debt fixed rate loan notes outstanding at 31 March 2023 was £11,435,252 (2022: £11,435,252). Loan advancement of £Nil (2022: £166,600) were made during the year and interest accrued as at 31 March 2023 was £Nil (2022: £Nil).

Subordinated debt

The group has a £665,000 unsecured debt fixed rate loan from its parent company maturing in June 2036 bearing an interest rate of 9.8% per annum. Interest accrued as at 31 March 2023 was £Nil (2022: £Nil). The loan is repayable on demand.

16 Provisions for liabilities

		Group		Company	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
	Notes				
Decommissioning provision		947	932	-	-
Deferred tax liabilities	17	330	356	-	-
		1,277	1,288	-	-

Movements on provisions apart from deferred tax liabilities:

	Decommissioning provision £'000
At 1 April 2022	932
Unwinding of discount	15
At 31 March 2023	947

The group's decommissioning provision results from its obligation at the end of the license period to return the solar park sites to their original state and condition. The group has estimated the net present value of the decommissioning provision to be £947,774 as at 31 March 2023 (2022: £931,932).

17 Deferred taxation

Deferred tax assets and liabilities are offset where the group or 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
Group		
Accelerated capital allowances	330	356

	Group 2023 £'000	Company 2023 £'000
Movements in the year:		
Liability at 1 April 2022	356	-
Credit to profit or loss	(26)	-
Liability at 31 March 2023	330	-

18 Operating lease commitments

Lessee

The group has entered into lease arrangements with land owners expiring on 1 August 2037 for Fryingdown and 12 October 2037 for Five Oaks respectively.

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

	Group 2023 £'000	2022 £'000	Company 2023 £'000	2022 £'000
Within one year	128	128	-	-
Between two and five years	511	511	-	-
In over five years	1,203	1,331	-	-
	1,842	1,970	-	-

19 Share capital

	Group and Company	
	2023	2022
	£'000	£'000
Ordinary share capital		
Issues and fully paid		
5,739,158 Class A ordinary shares of £1 each	5,739	5,739
1,000 Class B ordinary shares of £1 each	1	1
6,000 Class C ordinary shares of £1 each	6	6
500 Class D and 500 Class E ordinary shares of £1 each	1	1
	5,747	5,747

Any dividends declared by the company shall be apportioned as follows: B Shareholders have the right to dividends proportionate to the aggregate nominal value of their shares. D Shareholders have the right to 10% of the total dividend and E Shareholders have the right to 19.75% of the total dividend. C Shareholders have the right to the remaining dividend. A Shareholders carry the right to a return only of the nominal value of the shares in the event of a sale of winding up of the company.

Each holder of Class A Shares, Class B Shares, Class D Shares and Class E Shares have the right to appoint one director of the company. Class C Shareholders have the right to appoint one or more persons as director/directors of the company. Such directors may only be revoked by the holders of the representative Class of shares under which the director was originally appointed. Voting rights are in line with the appointment of directors.

Profit and loss reserves
The profit and loss reserves represent cumulative profits or losses.

Other reserves
The company issued shares at a premium in 2012 through a transaction that fell within s615 of the Companies Act and elected to reflect this premium as a merger reserve. There has been no movement in the group during the year.

20 Dividends on equity shares

	Group	Group
	2023	2022
	£'000	£'000
Amounts recognised as distributions to equity holders in the year:		
Dividends voted within the year ended 31 March 2022		2,800
Dividends voted within the year ended 31 March 2023	3,900	
	3,900	2,800

21 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered Office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Amber Solar Parks Limited	The Long Barn, Manor Courtyard, Stratton-On-The-Fosse, Radstock, BA3 4QF	Trading company	Ordinary shares	100.00	
Five Oaks Solar Park Limited	The Long Barn, Manor Courtyard, Stratton-On-The-Fosse, Radstock, BA3 4QF	Dormant entity	Ordinary shares		100.00
Fryingdown Solar Park Limited	The Long Barn, Manor Courtyard, Stratton-On-The-Fosse, Radstock, BA3 4QF	Dormant entity	Ordinary shares		100.00

22 Related Party transactions

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

23 Controlling party

The company's ultimate parent and controlling entity, 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 the smallest and 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.