

Registration number: 08272295

Levantera Developments Limited
Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2019

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Levantera Developments Limited
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Levantera Developments Limited
Company Information

Directors

A Osorio
B Moncik
S Disley
O Taleb

Company secretary
External Officer Limited

Registered office
C/O External Services Limited,
Central House 20 Central Avenue,
St Andrews Business Park,
Norwich, England, NR7 0HR

Company number
08272295

Bankers
Barclays
Level 4, Apex Plaza, Forbury Road
Reading
RG1 1AX

Levantera Developments Limited
Directors' Report for the Year Ended 31 March 2019

The directors present their report and the unaudited financial statements for the year ended 31 March 2019.

Directors' of the company

The directors, who held office during the year, were as follows:

A Osorio (appointed 4 January 2018)

B Moncik (appointed 4 January 2018)

S Disley (appointed 4 January 2018)

H Coleman (resigned 4 January 2018)

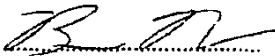
K Pippin (resigned 12 June 2017)

J Rabinov (appointed 12 June 2017 and resigned 4 January 2018)

N Wołoszczuk (resigned 4 January 2018)

O Taleb (appointed 24 April 2018)

Approved by the Board on 23 December 2019 and signed on its behalf by:



B Moncik
Director

Levantera Developments Limited
Statement of Comprehensive Income for the Year Ended 31 March 2019

	Note	2019 £	2018 £
Revenue	4	5,739,165	5,080,816
Cost of sales	4	(906,931)	(665,288)
Depreciation		(2,126,006)	(2,149,756)
Gross profit		2,706,228	2,265,772
Administrative expenses		(3,359)	(499,970)
Finance costs	4	(1,066,808)	(573,700)
Profit before tax		1,636,061	1,192,102
Tax expense	5	(111,105)	(907,679)
Income and total comprehensive income for the period		1,524,956	284,423

The above results were derived from continuing operations.

Levantera Developments Limited
(Registration number: 08272295)
Statement of Financial Position as at 31 March 2019

	Note	31 March 2019 £	31 March 2018 £
Assets			
Non-current assets			
Property, plant and equipment	8	34,521,865	36,654,145
Current assets			
Cash and cash equivalents	6	158,739	5,021,436
Debtors	7	1,135,549	986,823
Total current assets		1,294,288	6,008,259
Total assets		35,816,153	42,662,404
Liabilities			
Current liabilities			
Trade and other payables	9	8,151	50,485
Intercompany payable	10	-	49,563
		8,151	100,048
Non-current liabilities			
Deferred tax liabilities	5	893,338	693,592
Related party loan	11	28,446,861	36,925,915
Total liabilities		29,348,350	37,719,555
Equity			
Share capital		8,100,000	8,100,000
Share premium		1,700,286	1,700,286
Accumulated losses		(3,332,483)	(4,857,437)
Equity attributable to owners of the Company		6,467,803	4,942,849
Total equity and liabilities		35,816,153	42,662,404

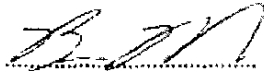
For the year ending 31 March 2019 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Levantera Developments Limited
(Registration number: 08272295)
Statement of Financial Position as at 31 March 2019

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

Approved by the Board on 23 December 2019 and signed on its behalf by:



B Moncik
Director

Levantera Developments Limited
Statement of Changes in Equity for the Year Ended 31 March 2019

	Share capital	Share Premium	Retained earnings	Total
	£	£	£	£
At 31 March 2017	8,100,000	-	(5,141,862)	2,958,138
Total comprehensive income	-	-	284,423	284,423
New share capital subscribed	-	1,700,286	-	1,700,286
At 31 March 2018	8,100,000	1,700,286	(4,857,439)	4,942,847
Total comprehensive income	-	-	1,524,956	1,524,956
At 31 March 2019	8,100,000	1,700,286	(3,332,483)	6,467,803

Levantera Developments Limited
Statement of Cash Flows for the Year Ended 31 March 2019

	Notes	2019 £	2018 £
Operating activities			
Net income (loss)		1,524,956	284,423
Adjustments:			
Depreciation	4	2,126,006	2,149,756
Decrease/(increase) in debtors	7	(148,726)	1,738,875
Increase in trade and other payables	9	(42,334)	105,933
Increase in intercompany payable	10	(49,563)	3,202,499
Increase in deferred tax liabilities	5	199,746	-
		3,610,085	7,481,486
Investing activities			
PPE Acquisitions	8	-	(8,021)
PPE Disposals		6,272	-
		6,272	(8,021)
Financing activities			
Capital contribution	12	-	1,700,285
Proceeds from intercompany loan	11	-	36,925,915
Repayment of other borrowing	11	-	(37,660,086)
Settlement of internal rate swap		-	(3,418,143)
Repayment of intercompany loan		(8,479,054)	-
		(8,479,054)	(2,452,029)
Net increase in cash and cash equivalents		(4,862,697)	-
Cash and cash equivalents		5,021,436	-
Cash and cash equivalents at 31 March		158,739	5,021,436

The notes on pages 10 to 15 form an integral part of these financial statements.

Levantera Developments Limited

Notes to the Financial Statements

31 March 2019

(In Pound Sterling (£) unless otherwise noted)

1. General information

The Company is a private company limited by share capital, incorporated and domiciled in England. The address of its registered office is:

C/O External Services Limited,
Central House 20 Central Avenue,
St Andrews Business Park,
Norwich, England, NR7 0HR

2. Accounting policies

Statement of compliance

The Companies' financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations adopted by the EU ("adopted IFRS's") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), and include the following accounting policies noted below.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with adopted IFRSs and under historical cost accounting rules.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

These financial statements are the separate financial statements of Levantera Developments Limited. The IFRS compliant consolidated financial statements of parent, Aegletes Holdco Limited, are publicly available at: Beeston Lodge, Beeston Lane, Spixworth, Norwich, NR10 3TN.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Changes in accounting policy

None of the other standards, interpretations and amendments effective for the first time from 1 April 2017 have had a material effect on the financial statements.

None of the standards, interpretations and amendments which are effective for periods beginning after 1 April 2017 and which have not been adopted early, are expected to have a material effect on the financial statements.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Revenue is shown net of sales/value added tax, returns, and rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for the company's activities.

Levantera Developments Limited

Notes to the Financial Statements

31 March 2019

(In Pound Sterling (£) unless otherwise noted)

Tax

The tax expense for the period comprises current tax. Tax is recognised in income statement, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Property, plant and equipment

Property, plant and equipment include solar installations and is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation on the solar installations is calculated on a straight-line basis to allocate the difference between their cost and their residual value over their estimated useful lives, which is 20 years.

Investments

Investments in securities are classified on initial recognition as available-for-sale and are carried at fair value, except where their fair value cannot be measured reliably, in which case they are carried at cost, less any impairment.

Unrealised holding gains and losses other than impairments are recognised in other comprehensive income. On maturity or disposal, net gains and losses previously deferred in accumulated other comprehensive income are recognised in income.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Levantera Developments Limited

Notes to the Financial Statements

31 March 2019

(In Pound Sterling (£) unless otherwise noted)

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Leases

The Company has entered into lease arrangements with rooftop owners for providing space for installation for solar panels, for which rooftop owners are entitled to consume electricity generated from the solar panel.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Financial instruments

The Company recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument. Such financial assets or financial liabilities are initially recognised at fair value and the subsequent measurement depends on their classification.

Financial assets classified as fair value through profit and loss ("FVTPL") are measured at fair value with any resultant gain or loss recognised in the income statement.

Financial assets classified as available for sale are measured at fair value with a resultant gain or loss being recognised directly under other comprehensive income. Investments in equity instruments classified as available for sale that do not have a quote market price in an active market and whose fair value cannot be reliably measured are measured at cost. When available for sale financial assets are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the income statement.

Financial assets classified as loans and receivables and held to maturity, are measured at amortised cost using the effective rate method.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs. Financial liabilities are classified as other financial liabilities and are subsequently measured at amortised cost using the effective interest rate method, except for derivatives and financial liabilities

Levantera Developments Limited

Notes to the Financial Statements

31 March 2019

(In Pound Sterling (£) unless otherwise noted)

designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in the income statement (other than derivative financial instruments that are designated and effective as hedging instruments).

Financial guarantee contract liabilities are measured at their fair values with the change in fair value recognised in the statement of operations.

The Company's financial instruments and its classification are as follows:

Cash	Loans and receivables
Distributions receivable	Loans and receivables
Due from related party	Loans and receivables
Derivative financial instrument	FVTPL
Accounts payable and accrued liabilities	Other financial liabilities
Long-term debt	Other financial liabilities

Financial assets are derecognised when the Company's rights to cash flows from the respective assets have expired or have been transferred and the Company has neither the exposure to the risks inherent in those assets nor entitlement to rewards from them. The company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

The Company categorises financial assets and liabilities measured at fair value into one of the three different level depending on the observability of the inputs used in the measurement.

Level 1: This level includes assets and liabilities measured at fair value based on unadjusted quoted prices from identical assets and liabilities in active markets that are accessible at the measurement date.

Level 2: This level includes valuations determined using directly or indirectly observable inputs other than quoted prices included within Level 1. Derivative instruments in this category are valued using models or other standard valuation techniques derived from observable market inputs.

Level 3: This level includes valuations based on inputs which are less observable, unavailable or where the observable data does not support a significant portion of the instruments' fair value.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in compliance with IFRSs requires management to make certain estimates and assumptions that they consider reasonable and realistic. Estimates and judgements are inherent in, but not limited to the following: the existence and valuation of customer contracts of the company, fair value of financial assets and liabilities, revenue relating to the accrued income from the Feed-In Tariff ("FIT") and evaluation of permanent impairment. Despite regular reviews of these estimates and assumptions, based in particular on past achievements or anticipations, facts and circumstances may lead to changes in these estimates and assumptions, which could impact the reported amount of the assets, liabilities, equity or earnings.

4. Revenue and expenses

The analysis of the company's revenue for the year from continuing operations is as follows:

	2,019	2018
	£	£
Sale of electricity	5,727,174	4,980,816
Other revenue	11,991	100,000
Total revenue	5,739,165	5,080,816

Levantera Developments Limited

Notes to the Financial Statements

31 March 2019

(In Pound Sterling (£) unless otherwise noted)

The analysis of the company's operating expenses for the year from continuing operations is as follows:

	2019	2018
	£	£
Cost of sales	(906,931)	(665,288)
Administrative expenses	(3,359)	(499,970)
Finance costs	(1,066,808)	(573,700)

The analysis of the company's depreciation expense for the year from continuing operations is as follows:

	2019	2018
	£	£
Depreciation expense	2,126,006	2,149,756
	2,126,006	2,149,756

5. Income tax

Tax credit included in loss	2019
Current tax	
UK corporation tax at 19%	310,851
Total Current tax	310,851
Deferred tax	
Amortisation of intangible assets	(199,746)
Total deferred tax	(199,746)
Tax charge on loss on ordinary activities	111,105
Reconciliation of effective tax rate	
Current tax charge at 19% (2018 - 19%)	(64,513)
Effects of:	
Permanent differences	2,017
Effect of apportionment of subsidiary tax charge	173,601
Total tax charge on loss on ordinary activities	111,105
Deferred Tax Liabilities	
Tangible assets	893,338
Total Deferred Tax Liabilities	893,338
Deferred Tax Liabilities	
Opening balance	693,592
Deferred tax on acquisition of property, plant and equipment	-
Deferred tax credited to profit and loss for the year	199,746
Effect of changes in tax rates	-
Balance at the end of the financial year	893,338

Levantera Developments Limited

Notes to the Financial Statements

31 March 2019

(In Pound Sterling (£) unless otherwise noted)

6. Cash and cash equivalents

	2019	2018
	£	£
Cash at bank	158,739	5,021,436

7. Debtors

	2019	2018
	£	£
Trade receivables	11,162	56,657
Accrued income	969,701	776,644
Other assets	154,686	153,522
	1,135,549	986,823

The fair value of those trade and other receivables classified as financial instrument loans and receivables are disclosed in the financial instruments note.

8. Property, plant and equipment

	2019	2018
	£	£
Cost		
At 1 April	42,916,296	42,907,134
Additions for the period	-	8,021
Disposals for the period	(7,414)	-
Cost balance at 31 March	42,908,882	42,915,155
Depreciation		
At 1 April	6,261,010	4,111,254
Charge for the year	2,126,006	2,149,756
Depreciation as at 31 March	8,387,017	6,261,010
Net book value as at 31 March	34,521,865	36,654,145

9. Trade and other payables

	2019	2018
	£	£
Trade payables	8,151	50,485

The fair value of the trade and other payables classified as financial instruments are disclosed in the financial instruments note. The company's exposure to market and liquidity risks, including maturity analysis, related to trade and other payables is disclosed in the financial risk management and impairment note.

10. Intercompany payable

During the year the Company received loans from the ultimate parent company EagleCrest Infrastructure LP. At 31 March 2019, nil (2018: £49,563).

Levantera Developments Limited

Notes to the Financial Statements

31 March 2019

(In Pound Sterling (£) unless otherwise noted)

11. Loans and borrowings

	2019	2018
	£	£
Non-current loans and borrowings		
Other borrowings	28,446,861	36,925,915

During fiscal year 2018, the Company received loans from its immediate parent, Aegletes Holdco Limited. The loan accrue interest at a rate of 4% per annum with the maturity date of 1 November 2035.

12. Share capital

Allotted, called up and fully paid shares

	2019	2018
	No.	No.
Ordinary of £0.79 each	10,253,166	10,253,166
		£
		8,100,000

New shares allotted

During the year 1 Ordinary share having an aggregate nominal value of £1 were allotted for an aggregate consideration of £1,700,286.

13. Related party transactions

The company's immediate parent is Aegletes Holdco Limited. The ultimate controlling party of the Company is Fiera Infra GP Inc. as General Partner of EagleCrest Infrastructure Canada LP.

The parent of the largest group in which these financial statements are consolidated is EagleCrest Infrastructure Canada LP, incorporated in Canada.

The address of EagleCrest Infrastructure Canada LP is:

1 Adelaide St. East

Suite 2410

Toronto

Ontario

Canada

M5C 2V9

The parent of the smallest group in which these financial statements are consolidated is Aegletes Holdco Limited, incorporated in United Kingdom.

The address of Aegletes Holdco Limited is:

C/O External Services Limited,

Central House 20 Central Avenue,

St Andrews Business Park,

Norwich, England, NR7 0HR

Company registration:

1104018

Levantera Developments Limited

Notes to the Financial Statements

31 March 2019

(In Pound Sterling (£) unless otherwise noted)

14. Financial risk management

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The Company's principal financial assets which are subject to credit risk are cash and cash equivalents, restricted cash and investments. The carrying amounts of financial assets on the statement of financial position, other than derivative financial instruments represent the Company's maximum exposure to credit risk at the statement of financial position date.

The credit risk on cash and cash equivalents and restricted cash is limited because the counterparties are commercial banks or financial institutions with high credit ratings assigned by independent credit-rating agencies. The Company's credit risk is attributable primarily to its investments in Levantera. Levantera's primary source of revenue from electricity by means of photovoltaic ("PV") systems, comprising of residential rooftop solar systems and commercial systems in the United Kingdom and therefore, credit risk is limited.