

**COMPANY NUMBER: 09040319**

**BYES SOLAR UK LIMITED  
(FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

**ANNUAL REPORT**

**31 DECEMBER 2019**



# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

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# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

## **COMPANY INFORMATION**

### **Directors**

D Carr  
K Pedder  
J L Midena

### **Secretary**

B Clayton

### **Registered number**

09040319

### **Registered office**

Becket House  
1 Lambeth Palace Road  
London  
SE1 7EU

### **Bankers**

National Westminster Bank plc  
PO Box 6118  
Eastwood House  
Glebe Road  
Chelmsford  
CM1 1QW

### **Auditor**

Mazars LLP  
Chartered Accountants and Statutory Auditor  
Tower Bridge House  
St Katharine's Way  
London  
E1W 1DD

# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

## **STRATEGIC REPORT**

The directors present their strategic report for BYES Solar UK Limited (formerly Abakus Byes Solar UK Limited) ("the Company") for the year ended 31 December 2019.

### **Principal activities**

The Company is a specialist in the design, construction and maintenance of solar farms.

### **Review and analysis of the business during the current year**

The Company carried out a number of contracts for the maintenance of solar farms during the year. The results of the Company for the year are set out on page 8.

### *Key performance indicators (KPIs)*

#### **1. Financial performance**

The Company models the anticipated financial outcome of its projects across the full term of the projects and the Company monitors actual financial performance against this anticipated performance. As at 31 December 2019, the Company's performance against this measure was in line with expectations (2018: in line with expectations).

#### **2. Debtors' days**

The Company's cashflow position is of great significance to ensure that the monthly costs are met and that there are sufficient resources available to bid on new projects. The directors consider the debtors' days ratio as a key indicator to ensure that cash is available in the Company. The Company's debtors' day position at 31 December 2019 was 0 days (2018: 26 days).

### **Development and financial performance during the year**

As reported in the Company's statement of total comprehensive income, revenue in 2019 was £46,000 (2018: £165,000).

The loss before taxation was £86,000 (2018: profit £53,000). The directors consider the result for the year was in line with expectations.

### **Financial position at the reporting date**

The statement of financial position shows that the carrying value of the Company's net assets at the year end was £245,000 (2018: £309,000).

### **Future prospects**

The Company expects activity to reduce and to become dormant following the expiry of the current contracts. There are currently no plans to engage in any new activity.

### **Brexit impact**

The directors have assessed the impact of Brexit and believe that, although significant uncertainty exists, there will be no material effect on the trade and operations of the Company.

Post Brexit, the Company is continuing to monitor risks in relation to the business environment and financial impact, in particular, the potential impact of no deal being reached. Measures are being taken to protect projects currently in progress and the Company will adapt as required, to new market conditions for future projects.

### **Principal risks and uncertainties**

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due.

The directors acknowledge that they have responsibility for the Company's systems of internal control and risk management and for monitoring their effectiveness. The purposes of these systems are to manage, rather than eliminate, the risk of failure to achieve business objectives, to provide reasonable assurance as to the quality of management information and to maintain proper control over the income, expenditure, assets and liabilities of the Company.

## **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

### **STRATEGIC REPORT (continued)**

No system of control can, however, provide absolute assurance against material misstatement or loss. Accordingly, the directors have regard to what controls, in their judgement, are appropriate to the Company's business and to the relative costs and benefits of implementing specific controls.

The main risks that the Company could face have been considered by the directors and a risk management policy has been implemented throughout the Company.

#### **Section 172 Companies Act 2006 Statement**

The directors have a duty to promote the success of the Company for the benefit of the shareholders as a whole and to describe how this duty has been performed with regard to those matters set out in section 172 of the Companies Act 2006 ("section 172").

#### ***Long term approach***

The directors are focused on the success of the Company over the long term. This is achieved through the implementation by the directors of a long term strategy for the Company to develop in key targeted sectors where the Company can bring a strong value proposition leveraging its strengths and those of the wider Group.

The directors have identified the Company's main stakeholders as the following:

#### ***Shareholders***

The Company, as a wholly owned subsidiary of the Bouygues group is an integrated member of the Bouygues Energies and Services division and has a single shareholder. During the year the directors maintained regular formal and informal engagement with parent company representatives across a range of topics impacting both strategic and day to day matters of the Company.

#### ***Clients***

Clients represent the rationale for the Company to exist and the directors oversee an ongoing programme of client satisfaction surveys in addition to regular one to one contact between clients and individual directors and senior management. The Company aims to deliver tailor-made solutions and services for its client's infrastructure, buildings and processes.

The Company strategy to serve its clients comprises of 5 key priorities:

- ***Health and Safety***  
To exceed client expectations and deliver high-quality service, to ensure teams operate with peace of mind, in a safe environment.
- ***Delivering a unique client experience***  
Listening and responding to client expectations in a transparent and creative way is key to building a lasting relationship. From the design stage right through to operation, the Company aims to exceed client expectations.
- ***Enhancing and developing talent***  
To develop solutions that meet client expectations in the long term.
- ***Balancing a portfolio of business activities***  
Through developing market diversity, the Company aims to provide clients with access to a broad spectrum of effective, innovative and multi-disciplinary skills and solutions wherever they operate.
- ***Achieving a sustained improvement in performance***  
Supporting clients in their growth and adapting to client needs through innovation and commitment.

## **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

### **STRATEGIC REPORT (continued)**

#### ***Supply chain partners***

The directors have implemented a clear business wide approach with an established Procurement & Supply Chain function which facilitates regular contact and provides continuous professional development opportunities for the Company's core supply chain. The Company is a Partner member of the Supply Chain Sustainability School initiative which provides free accredited learning materials and training resources to supply chain members covering a range of sustainability and management topics.

The Company aims to treat its supply chain partners fairly, pay them within agreed timescales and closely monitors supply chain partner payment practices and performance.

The Company works with its supply chain partners to ensure that they have effective controls in place to protect its client's health and safety and the security and privacy of their data.

#### ***Community & Environment***

The Company works with its stakeholders to help build a sustainable working environment, delivering environmentally responsible projects and ensuring the comfort and well-being of all parties.

Relying on technical expertise and range of services, the Company takes a proactive approach to integrating energy performance into the entire life cycle of its clients' assets; infrastructure, building or industry.


Harnessing the capabilities of Bouygues Construction's businesses and experience as integrator and operator, the Company can provide long-term support for its partners throughout the value chain. The Company is energy management system ISO 50001- certified.

The Company recognises its corporate and social responsibilities to its shareholders, clients, supply chain partners, employees and other stakeholders. The Company strives to be a good corporate citizen and fulfil its responsibilities to the societies and communities in which it operates; recognising economic, social and environmental considerations in its decision making to deliver its business objectives in a caring and responsible manner.

The directors are cognisant of their duty under s172 in their deliberation as a board on all matters. Decisions made by the board take into account the interests of all the Company's key stakeholders and reflect the board's belief that the long term sustainable success of the Company is linked directly to its key stakeholders.

#### **Approval**

This report was approved by the board on 07/10/2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'JL Midena', written over a horizontal line.

JL Midena  
Director

# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

## **DIRECTORS' REPORT**

**COMPANY NUMBER: 09040319**

The directors present their report and the audited financial statements for the year ended 31 December 2019. The Company changed its name to BYES Solar UK Limited on 30 April 2020.

### **Matters covered in the Strategic Report**

As permitted by paragraph 1A of Schedule 7 to the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on pages 2 and 3. These matters relate to the review and analysis of the business, development and financial performance, future prospects and the principal risks and uncertainties.

### **Going concern**

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its obligations for the foreseeable future. Thus they have continued to adopt the going concern basis of accounting in preparing the financial statements.

The directors have considered the impact the Covid-19 pandemic may have on the Company and have considered the funding requirements of the business over the next 12 months. The directors consider that even in the unlikely scenario that there is a prolonged decrease in demand for services the Company still has adequate resources to meet its obligations and the directors conclude, therefore, that adopting the going concern basis of accounting in preparing the annual financial statements is appropriate.

### **Post balance sheet events**

Subsequent to 31 December 2019, the World Health Organisation declared a pandemic due to the global outbreak of the coronavirus disease (Covid-19). The impact of Covid-19 on the public's health and the economy is rapidly evolving and has so far resulted in quarantines, restrictions on travel and business closures worldwide.

At the date of approving the financial statements, the Company has seen some impact from the pandemic and continues to review the financial impact.

Following the UK Government's announcement of the Covid19 lockdown the Company implemented its business continuity plans to ensure that it could continue to carry out activities during the pandemic. At the end of March 2020 the Company implemented a working from home strategy for all staff for whom this is possible and furloughed a number of employees who were unable to work from home or on client sites.

The supply chain has been similarly impacted but to date there have been no failures of those suppliers or subcontractors working for the Company linked to the pandemic. The Company has carried out a review of the critical supply chain to ensure their ability to deliver in line with their contractual requirements and has business continuity plans in place to should any issues arise.

The Company has an established supply chain and key supplier monitoring is in place linked to the impacts of the pandemic with regular checks being carried out with supply chain members.

The effects of Covid-19 and the measures taken by the UK and other Governments continue to evolve and hence, whilst the directors consider the impact on the Company to be minimal, it is not possible to fully quantify the full impact that Covid-19 will have on the Company in the longer-term. As the pandemic continues to spread, the resulting financial and economic market uncertainty could have a negative impact on the Company's future operational performance for the next 12 month period. In addition, there may be an impact on the future operating profit of the Company if the situation worsens, but the extent of this is highly uncertain and cannot be quantified.

Although the activity of the Company has been impacted as a result of the temporary suspension of works on some contracts, with works recommencing on all construction projects and the subsequent easing of the lockdown restrictions the directors consider the Company will be significantly less impacted moving forward.

On 30 January 2020, the Company and its parent company Bouygues Construction SA were the target of a ransomware attack caused by malware. The Company and parent company initially shut down their IT systems as a precaution to prevent the virus from spreading, and specific measures were taken to ensure business continuity. A number of hardware and software systems were put back into service very quickly. As these were being restored, the security of the entire IT system was strengthened with help from experts both within and outside the Group. There was a very low impact on the operational and commercial activity of the business, the extent of this cannot be quantified. The relevant insurance policies were activated and the attack has been referred to the appropriate bodies.

## **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

### **DIRECTORS' REPORT (continued)**

#### **Dividends**

The directors do not recommend the payment of a dividend in respect of the current financial year (2018: £nil).

#### **Directors**

The directors who served throughout the year and up to the date of this report, except as noted, were as follows:

D Carr  
K Pedder  
J L Midena

The Company has qualifying third party indemnity provisions for the benefit of directors which were made during the year and remain in force at the date of this report.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations and in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement of disclosure of information to auditor**

Each of the directors at the date of approval of this report confirms that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that director has taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Auditor**

The auditor Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006. Approved by the Board of Directors and signed on behalf of the board by



JL Midena  
Becket House  
1 Lambeth Palace Road  
London  
SE1 7EU



## **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

#### **Opinion**

We have audited the financial statements of BYES Solar UK Limited (formerly Abakus Byes Solar UK Limited) (the 'Company') for the year ended 31 December 2019 which comprise the Statement of Total Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards 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 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.

#### **Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements**

In forming our opinion on the Company financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 5, and the consideration in the going concern basis of preparation on page 13 and non-adjusting post balance sheet events on pages 18 and 19.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19, the potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material Misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED) (continued)**

#### **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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 specific 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 set out on page 4, 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 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 either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

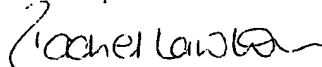
#### **Auditor's responsibilities for the audit of the financial statements**

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 Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of the audit report**

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



Rachel Lawton (Senior Statutory Auditor)

for and on behalf of Mazars LLP,

Chartered Accountants and Statutory Auditor

Tower Bridge House, St Katharine's Way, London, E1W 1DD

Date: 8 October 2020

**BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)****STATEMENT OF TOTAL COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

<b>Continuing operations</b>	<b>Notes</b>	<b>2019 £'000</b>	<b>2018 £'000</b>
Revenue	4	46	165
Operating costs		(171)	(110)
Administrative expenses		33	(2)
Interest receivable and similar income	6	6	-
<b>(Loss)/profit before taxation</b>	5	<u>(86)</u>	<u>53</u>
Income tax	7	22	(10)
<b>(Loss)/profit for the year</b>		<u>(64)</u>	<u>43</u>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>(Loss)/profit for the year attributable to equity shareholders of the Company</b>		<u><u>(64)</u></u>	<u><u>43</u></u>

The accompanying notes are an integral part of this statement of total comprehensive income.

All the Company's activities were derived from continuing operations in the current and preceding year.

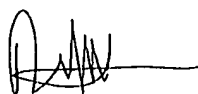
**BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)****STATEMENT OF FINANCIAL POSITION  
AT 31 DECEMBER 2019****REGISTRATION NO: 09040319**

	Notes	£'000	2019 £'000	£'000	2018 £'000
<b>CURRENT ASSETS</b>					
Trade and other receivables	8	157		240	
Cash and cash equivalents		230		231	
		<u>387</u>		<u>471</u>	
<b>CURRENT LIABILITIES</b>					
Trade and other payables	9	<u>(142)</u>		<u>(155)</u>	
<b>NET CURRENT ASSETS</b>			<u>245</u>		<u>316</u>
<b>NON - CURRENT LIABILITIES</b>					
Provisions for liabilities	10		<u>-</u>		<u>(7)</u>
<b>NET ASSETS</b>			<u>245</u>		<u>309</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	11		5		5
Profit and loss account			<u>240</u>		<u>304</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>245</u>		<u>309</u>

The accompanying notes are an integral part of this statement of financial position.

These financial statements were approved by the Board of Directors and authorised for issue on 07/10/2020.

Signed on behalf of the Board of Directors by



D Carr  
Director

**BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>Share Capital £'000</b>	<b>Retained Profit £'000</b>	<b>Total £'000</b>
<b>At 1 January 2018</b>	5	261	266
Comprehensive income for the year	-	43	43
<b>At 31 December 2018</b>	<u>5</u>	<u>304</u>	<u>309</u>
Comprehensive income for the year	-	(64)	(64)
<b>At 31 December 2019</b>	<u>5</u>	<u>240</u>	<u>245</u>

The accompanying notes are an integral part of this statement of changes in equity.

# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

## **STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
<b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>	(7)	36
<b>Cash flows from financing activities:</b>		
Interest received	6	-
<b>(Decrease)/Increase in cash in the period</b>	(1)	36
Cash and cash equivalents at 1 January	231	195
<b>Cash and cash equivalents at 31 December</b>	<b>230</b>	<b>231</b>
<b>Cash and cash equivalents consists of:</b>		
Cash at bank and in hand	230	231
	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
<b>Reconciliation of operating (loss)/profit to operating cash flows</b>		
Operating (loss)/profit	(86)	53
Decrease in receivables	81	20
Decrease in payables	(19)	(30)
Taxation	17	(7)
<b>Net cash generated by operations</b>	<b>(7)</b>	<b>36</b>

The accompanying notes are an integral part of these financial statements.

# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

### **1. General Information**

BYES Solar UK Limited (formerly Abakus Byes Solar UK Limited) is a private company limited by shares, incorporated in England and Wales under the Companies Act. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 2 and 3. The address of the Company's registered office is set out on page 1.

### **2. Accounting policies**

#### **Basis of preparation**

The financial statements of the Company have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) issued by the Financial Reporting Council, and applicable provisions of the Companies Act 2006 and Schedule 1 of The Large and Medium Sized Companies and Groups Regulations 2004/410 ("Regulations").

The financial statements are prepared in sterling as this is the functional currency in which the Company operates.

#### **Going concern**

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its obligations for the foreseeable future. Thus they have continued to adopt the going concern basis of accounting in preparing the financial statements.

The directors have considered the impact the Covid-19 pandemic may have on the Company and have considered the funding requirements of the business over the next 12 months. The directors consider that even in the unlikely scenario that there is a prolonged decrease in demand for services the Company still has adequate resources to meet its obligations and the directors conclude, therefore, that adopting the going concern basis of accounting in preparing the annual financial statements is appropriate.

#### **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Payment milestones are set out within the contracts and revenue is recognised on the percentage of the works completed at the end of the period.

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be measured reliably.

#### *Long term contracts*

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Revenue for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years.

Contract work in progress is stated at costs incurred (including best estimates where appropriate), less those costs transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in receivables and represent revenue recognised in excess of payments on account or amounts invoiced.

Long-term contracts are assessed on a contract-by-contract basis and are reflected in the statement of total comprehensive income as contract activity progresses. Full provision for foreseeable future losses is made as future losses are foreseen. Revenue received before goods and services are delivered is recognised as deferred income and transferred to the statement of total comprehensive income when the goods and services are delivered.

#### **Foreign currency**

The functional currency of the Company is GBP sterling, the currency in which the majority of the Company's transactions are denominated, and all values are rounded to the nearest thousand (£'000), except where otherwise indicated. In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recorded at rates of exchange prevailing on the dates of the transactions. At the

## **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **2. Accounting policies (continued)**

reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit and loss account for the period.

#### **Taxation**

The tax expense represents the sum of the current tax and deferred tax.

The current tax is based on taxable profit for the year. Taxable profit differs from the net profits as reported in the income statement because it excludes items of income and 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 date.

The carrying amount of deferred tax assets is reviewed at each reporting 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 asset or liability is expected to be settled or at least 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 there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computations.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to be effective when the timing differences are expected to reverse.

Deferred tax assets are not discounted.

#### **Financial instruments**

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument.

The Company applies the recognition, measurement and disclosure provisions of Sections 11 and 12 of FRS 102. Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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 liabilities.

#### *Financial assets and liabilities*

All financial assets and liabilities are initially measured at the transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.



# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

### **2. Accounting policies (continued)**

Non-current debt instruments are subsequently measured at amortised cost using the effective interest method. Debt instruments that are classified as payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, the Company transfers substantially all of the risks and rewards of ownership of the financial asset to another party, or the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### **Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the profit and loss account.

#### *Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable amount does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

#### *Financial assets*

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable amount does not lead to a revised carrying amount higher than the carrying value had no impairment been recognized.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Costs comprise all costs that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Provisions for stock at the period end are estimated based on the physical stock held taking into account any slow moving or damaged items where appropriate.

# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

### **2. Accounting policies (continued)**

#### **Cash and cash equivalents**

Cash and cash equivalents are recognised as financial assets. They comprise cash held by the Company and short term bank deposits with an original maturity date of three months or less.

### **3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. During the year, the critical judgements made by the directors in applying the Company's accounting policies and the key areas of estimation uncertainty have related to revenue recognition.

The value of certain of the Company's contracts for the ongoing supply of services can be dependent upon the amount of costs incurred in performing these services and, in order to apply the Company's policy for the recognition of revenue from such contracts that are partially complete at statement of financial position date, the directors must assess both the proportion of the contract that has been completed and the total contract value that this represents.

### **4. Revenue**

The directors consider the Company's activities to represent a single class of business. The total turnover of the Company for the year has been derived from its principal activities undertaken wholly in the United Kingdom.

	<b>2019 £'000</b>	<b>2018 £'000</b>
An analysis of the Company's revenue is as follows:		
Revenue from the sale of services in the United Kingdom	46	165

### **5. (Loss)/profit before taxation**

Audit fees of £6,000 in respect of the year ended 31 December 2019 for the audit of the Company's annual accounts were paid by the Company (2018: £6,000).

The Company had no employees during the year (2018: nil). The directors did not receive any remuneration for their services for the year (2018: nil).

(Loss)/profit on ordinary activities before taxation is stated after charging:

	<b>2019 £'000</b>	<b>2018 £'000</b>
Stock recognised as an expense	-	(2)

### **6. Interest receivable and similar income**

	<b>2019 £'000</b>	<b>2018 £'000</b>
Foreign currency exchange gain	6	-
	6	-

# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

### **7. Taxation**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
<b>Recognised in the statement of total comprehensive income</b>		
Current tax (credit)/expense	(22)	10
In respect of prior years	-	-
	<hr/>	<hr/>
Total income tax charge in the statement of total Comprehensive income	<u>(22)</u>	<u>10</u>

#### **Factors affecting tax charge for the current year**

The tax assessed for the year differs from that resulting from applying the standard rate of corporation tax in the UK: 19% (2018: 19%).

#### **Reconciliation of effective tax rate**

(Loss)/profit before tax	(86)	53
	<hr/>	<hr/>
Tax at the applicable tax rate of 19% (2018: 19%)	(16)	10
Prior year adjustment	(6)	-
	<hr/>	<hr/>
<b>Total income tax (credit)/expense</b>	<u>(22)</u>	<u>10</u>

#### **Factors that may affect future tax charges**

The UK corporation tax rate reduced to 19% on 1 April 2017 and was expected to reduce to 17% from 1 April 2020. During 2020 the Government announced that the expected tax rate reduction would not take place and that the tax rate would remain at 19%. This change was substantively enacted on 17<sup>th</sup> March 2020. As the change was not substantively enacted at balance sheet date its effects are not included in these financial statements.

### **8. Trade and other receivables**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>		
Trade receivables	-	14
Prepayments and accrued income	-	134
Taxes & Other social security	26	-
Amounts owed from group undertakings	131	92
	<hr/>	<hr/>
	<u>157</u>	<u>240</u>

# **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

### **9. Trade and other payables**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year</b>		
Amounts due to group undertakings	9	8
Trade payables	110	107
Accruals and deferred income	23	39
	<u>142</u>	<u>154</u>

The amounts owed to group undertakings are unsecured and bear interest at a rate of 2% above the Bank of England base rate.

### **10. Provisions for liabilities**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Provisions for liabilities		
At beginning of year	7	8
Decrease in provisions	(7)	(1)
	<u>-</u>	<u>7</u>
At end of year	<u>-</u>	<u>7</u>

### **11. Share capital**

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Issued and fully paid		
5,000 ordinary shares of £1 each	5	5
	<u>5</u>	<u>5</u>

The Company has one class of ordinary shares which carry no right to fixed income.

### **12. Control**

The immediate parent company is Bouygues E&S Infrastructure Limited, a company incorporated in England and Wales, which owns 100% of the Company's shares. The ultimate parent company and ultimate controlling party is Bouygues SA, a company incorporated in France.

The smallest group into which the results are consolidated is the group headed by Bouygues Construction SA and the largest group into which the results are consolidated is the group headed by Bouygues SA. The accounts of Bouygues SA are available to the public and may be obtained from 32 Avenue Hoche, 75008 Paris, France.

### **13. Post balance sheet events**

Subsequent to 31 December 2019, the World Health Organisation declared a pandemic due to the global outbreak of the coronavirus disease (Covid-19). The impact of Covid-19 on the public's health and the economy is rapidly evolving and has so far resulted in quarantines, restrictions on travel and business closures worldwide.

At the date of approving the financial statements, the Company has seen some impact from the pandemic and continues to review the financial impact.

Following the UK Government's announcement of the Covid19 lockdown the Company implemented its business continuity plans to ensure that it could continue to carry out activities during the pandemic. At the end of March 2020 the Company implemented a working from home strategy for all staff for whom this is possible and furloughed a number of employees who were unable to work from home or on client sites.

The supply chain has been similarly impacted but to date there have been no failures of those suppliers or subcontractors working for the Company linked to the pandemic. The Company has carried out a review of the critical supply chain to ensure their ability to deliver in line with their contractual requirements and has business continuity plans in place to should any issues arise.

## **BYES SOLAR UK LIMITED (FORMERLY ABAKUS BYES SOLAR UK LIMITED)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **13. Post balance sheet events (continued)**

The Company has an established supply chain and key supplier monitoring is in place linked to the impacts of the pandemic with regular checks being carried out with supply chain members.

The effects of Covid-19 and the measures taken by the UK and other Governments continue to evolve and hence, whilst the directors consider the impact on the Company to be minimal, it is not possible to fully quantify the full impact that Covid-19 will have on the Company in the longer-term. As the pandemic continues to spread, the resulting financial and economic market uncertainty could have a negative impact on the Company's future operational performance for the next 12 month period. In addition, there may be an impact on the future operating profit of the Company if the situation worsens, but the extent of this is highly uncertain and cannot be quantified.

Although the activity of the Company has been impacted as a result of the temporary suspension of works on some contracts, with works recommencing on all construction projects and the subsequent easing of the lockdown restrictions the directors consider the Company will be significantly less impacted moving forward.

On 30 January 2020, the Company and its parent company Bouygues Construction SA were the target of a ransomware attack caused by malware. The Company and parent company initially shut down their IT systems as a precaution to prevent the virus from spreading, and specific measures were taken to ensure business continuity. A number of hardware and software systems were put back into service very quickly. As these were being restored, the security of the entire IT system was strengthened with help from experts both within and outside the Group. There was a very low impact on the operational and commercial activity of the business, the extent of this cannot be quantified. The relevant insurance policies were activated and the attack has been referred to the appropriate bodies.