

Registered number: 09296615

## **DROVE LANE SOLAR PARK CIC**

### **FINANCIAL STATEMENTS FOR THE 15 MONTHS TO 31 MARCH 2018**

FRIDAY



L14 \*L7L922WQ\* #96  
21/12/2018  
COMPANIES HOUSE

**DROVE LANE SOLAR PARK CIC**  
**REGISTERED NUMBER: 09296615**

**BALANCE SHEET**  
**AS AT 31 MARCH 2018**

|  |             |                    | <b>31 March<br/>2018<br/>£</b> | <b>31<br/>December<br/>2016<br/>£</b> |
|--|-------------|--------------------|--------------------------------|---------------------------------------|
| <b>Fixed assets</b>                            | <b>Note</b> |                    |                                |                                       |
| Tangible assets                                | 5           |                    | <b>5,078,961</b>               | 5,049,032                             |
|  |             |                    | <b>5,078,961</b>               | 5,049,032                             |
| <b>Current assets</b>                          |             |                    |                                |                                       |
| Debtors: amounts falling due within one year   | 6           | <b>99,703</b>      | 166,165                        |                                       |
| Cash at bank and in hand                       |             | <b>127,582</b>     | -                              |                                       |
|  |             | <b>227,285</b>     | 166,165                        |                                       |
| Creditors: amounts falling due within one year | 8           | <b>(5,784,691)</b> | (5,134,652)                    |                                       |
| <b>Net current liabilities</b>                 |             |                    | <b>(5,557,406)</b>             | (4,968,487)                           |
| <b>Total assets less current liabilities</b>   |             |                    | <b>(478,445)</b>               | 80,545                                |
| <b>Provisions for liabilities</b>              |             |                    |                                |                                       |
| Deferred tax                                   | 9           | -                  | (13,448)                       |                                       |
|  |             |                    | -                              | (13,448)                              |
| <b>Net (liabilities)/assets</b>                |             |                    | <b>(478,445)</b>               | 67,097                                |
| <b>Capital and reserves</b>                    |             |                    |                                |                                       |
| Called up share capital                        | 10          | <b>100</b>         | 100                            |                                       |
| Profit and loss account                        |             | <b>(478,545)</b>   | 66,997                         |                                       |
|  |             | <b>(478,445)</b>   | 67,097                         |                                       |

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2018**

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The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....  
**P A Yiannouzis**  
Director

Date: 20/12/18

The notes on pages 3 to 11 form part of these financial statements.

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## DROVE LANE SOLAR PARK CIC

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

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#### 1. General information

Drove Lane Solar Park CIC is a private company, limited by shares, incorporated in England and Wales. The company registration number is 09296615 and the registered office is 10 Queen Street Place, London, EC4R 1BE. These financial statements are for the period 1 Jan 2017 to 31 March 2018. The comparative period is the 18 months to 31 December 2016. The period end was changed to align the financial year end with that of the parent charity.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

These are the first financial statements prepared under FRS102. The impact of first time adoption is detailed in note 14.

The financial statements are prepared in pounds sterling, the functional currency, rounded to the nearest £1.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The company has net current liabilities of £5,557,406 (2016: £4,968,487) and total net liabilities of £478,445 (2016: £67,097 net assets) at the balance sheet date. The financial statements have been prepared on a going concern basis as the directors of the company have confirmed the company will generate sufficient cashflows to meet its current obligations for the next 12 months and the foreseeable future.

##### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### **Sale of goods**

Revenue from the electricity generation is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**2.4 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 July 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

**2.5 Finance costs**

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.6 Borrowing costs**

All borrowing costs are recognised in the Statement of comprehensive income in the period in which they are incurred.

**2.7 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**2.8 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|                     |                          |
|---------------------|--------------------------|
| Plant and machinery | - 25 years straight line |
|---------------------|--------------------------|

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

**2.9 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.10 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.11 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**2. Accounting policies (continued)**

**2.12 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**2.13 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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**DROVE LANE SOLAR PARK CIC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**3. Employees**

The average monthly number of employees, including directors, during the period was 3 (18 months to 31 December 2016: 3).

**4. Taxation**

|   | <b>15 months<br/>to<br/>31 March<br/>2018<br/>£</b> | <b>18 months to<br/>31<br/>December<br/>2016<br/>£</b> |
|---|---|--|
| <b>Total current tax</b>                                | <u>-</u>  | <u>-</u>   |
| <b>Deferred tax</b>                                     |   |  |
| Origination and reversal of timing differences          | <u>(13,448)</u>                                     | <u>13,448</u>  |
| <b>Total deferred tax</b>                               | <u>(13,448)</u>                                     | <u>13,448</u>  |
| <b>Taxation on (loss)/profit on ordinary activities</b> | <u>(13,448)</u>                                     | <u>13,448</u>  |

**Factors affecting tax charge for the period**

There were no factors that affected the tax charge for the period which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19.2% (18 months to 31 December 2016: 20%).



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**DROVE LANE SOLAR PARK CIC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**5. Tangible fixed assets**

|  | Plant and<br>machinery<br>£ |
|--|-----------------------------|
| <b>Cost or valuation</b>                 |                             |
| At 1 January 2017                        | 5,169,657                   |
| Additions                                | 349,709                     |
| Reversal of previously capitalised asset | (49,795)                    |
| At 31 March 2018                         | <u>5,469,571</u>            |
| <b>Depreciation</b>                      |                             |
| At 1 January 2017                        | 120,625                     |
| Charge for the period on owned assets    | 269,985                     |
| At 31 March 2018                         | <u>390,610</u>              |
| <b>Net book value</b>                    |                             |
| At 31 March 2018                         | <u><u>5,078,961</u></u>     |
| At 31 December 2016                      | <u><u>5,049,032</u></u>     |

**6. Debtors**

|               | 31 March<br>2018<br>£ | 31<br>December<br>2016<br>£ |
|---------------|-----------------------|-----------------------------|
| Trade debtors | 1,455                 | -                           |
| Other debtors | 98,248                | 166,165                     |
|               | <u><u>99,703</u></u>  | <u><u>166,165</u></u>       |

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**DROVE LANE SOLAR PARK CIC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**7. Cash and cash equivalents**

|                          | <b>31 March<br/>2018<br/>£</b> | <b>31<br/>December<br/>2016<br/>£</b> |
|--------------------------|--------------------------------|---------------------------------------|
| Cash at bank and in hand | <b>127,582</b>                 | -                                     |
|                          | <b>127,582</b>                 | -                                     |

**8. Creditors: Amounts falling due within one year**

|                                    | <b>31 March<br/>2018<br/>£</b> | <b>31<br/>December<br/>2016<br/>£</b> |
|------------------------------------|--------------------------------|---------------------------------------|
| Other loans                        | <b>5,578,743</b>               | -                                     |
| Trade creditors                    | <b>17,041</b>                  | -                                     |
| Amounts owed to group undertakings | -                              | 5,113,419                             |
| Other taxation and social security | <b>28,267</b>                  | 2,433                                 |
| Accruals and deferred income       | <b>160,640</b>                 | 18,800                                |
|                                    | <b>5,784,691</b>               | 5,134,652                             |

Other loans of £5,578,743 are secured by a fixed and floating charge over the assets of the company.

**9. Deferred taxation**

|                           | <b>2018<br/>£</b> |
|---------------------------|-------------------|
| At beginning of year      | (13,448)          |
| Charged to profit or loss | 13,448            |
| At end of year            | -                 |

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**DROVE LANE SOLAR PARK CIC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2018**

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**9. Deferred taxation (continued)**

The deferred taxation balance is made up as follows:

|                                | <b>31 March<br/>2018<br/>£</b> | <b>31<br/>December<br/>2016<br/>£</b> |
|--------------------------------|--------------------------------|---------------------------------------|
| Accelerated capital allowances | -                              | (94,309)                              |
| Tax losses carried forward     | -                              | 80,861                                |
|                                | <u>-</u>                       | <u>(13,448)</u>                       |

**10. Share capital**

|   | <b>31 March<br/>2018<br/>£</b> | <b>31<br/>December<br/>2016<br/>£</b> |
|---|--------------------------------|---------------------------------------|
| <b>Allotted, called up and fully paid</b> |                                |                                       |
| 100 Ordinary Shares shares of £1 each     | <u>100</u>                     | <u>100</u>                            |

**11. Commitments under operating leases**

At 31 March 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

|  | <b>31 March<br/>2018<br/>£</b> | <b>31<br/>December<br/>2016<br/>£</b> |
|--|--------------------------------|---------------------------------------|
| Not later than 1 year                        | <b>39,416</b>                  | 38,128                                |
| Later than 1 year and not later than 5 years | <b>157,665</b>                 | 152,512                               |
| Later than 5 years                           | <b>768,619</b>                 | 791,154                               |
|  | <u><b>965,700</b></u>          | <u>981,794</u>                        |

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## **DROVE LANE SOLAR PARK CIC**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018**

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#### **12. Related party transactions**

During the period, the company made a donation of £25,000 (18 months to 31 December 2016: £nil) to Empower Community Foundation, the ultimate parent charity. There were no balances outstanding at the period end. A J Grayson, a director of the company, is a trustee of Empower Community Foundation. He was not involved in discussions relating to the donation and received no benefit from the transaction.

During the period, the company paid asset completion fees of £21,319 and establishment fees of £12,500 (18 months to 31 December 2016: £nil) to Empower Community Management LLP, an LLP in which the parent charity Empower Community Foundation is a member. The directors of the company are also designated members of Empower Community Management LLP. There were no balances outstanding at the period end.

During the period, interest of £148,713 (18 months to 31 December 2016: £nil) and total expenses and fixed assets of £356,051 (18 months to 31 December 2016: £6,443) was payable to Pfalsolar GmbH. During the period, total amount due of £5,618,183 was fully repaid to Pfalsolar GmbH, a company incorporated in Germany, which was the parent company until 23 May 2017. As at 23 May 2017, £nil (2016: £5,113,419) was owed to Pfalsolar GmbH.

#### **13. Controlling party**

The company was under the control of Empower Community Foundation from 23 May 2017. Prior to this, the company was under the control of Pfalsolar GmbH.

#### **14. Ultimate parent company**

The ultimate parent entity from 23 May 2017 was Empower Community Foundation, a charity registered in England and Wales, registered office 10 Queen Street Place, London, EC4R 1BE.

#### **15. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss. The date of transition to FRS 102 is the 1st July 2015.

#### **16. Auditors' information**

The auditors' report on the financial statements for the period ended 31 March 2018 was unqualified.

The audit report was signed on 21.12.2018 by Harminther Gill BA ACA (Senior statutory auditor) on behalf of MHA MacIntyre Hudson.

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# CIC 34

## Community Interest Company Report

**For official use**  
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|  |
|--|
|  |
|--|

*Please  
complete in  
typescript, or  
in bold black  
capitals.*

**Company Name in  
full**

Drove Lane Solar Park CIC

**Company Number**

09296615

**Year Ending**

31/03/2018

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

**(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)**

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## **PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT**

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

The solar park is located approximately 3.5 miles outside the city of Salisbury (population 40k) in Wiltshire, with wealth inequality signposting the most obvious area of need locally.

In conjunction with Salisbury Council and Wiltshire Community Foundation, a new joint initiative has been launched in Salisbury's most deprived ward – The Friary – where 41% of children live in poverty (less than five miles from the solar park).

Wiltshire Community Foundation is committing £364,000 to a five-year programme, coordinating support from the council, NGOs and other community groups and Empower Community Foundation (ECF) has identified, negotiated and transacted an initial one-year 'Revenue Fund' with Wiltshire Community Foundation to support this initiative.

The Stronger Families Salisbury programme is a five-year project for Wiltshire Community Foundation, with funding from Empower Community Foundation, the owner of Drove Lane Solar Park CIC, now assessing a 5-year term, in which Wiltshire Community Foundation has agreed to waive its normal 10% administration charge.

Wiltshire Community Foundation is an independent charity that gives grants and funding to the voluntary sector and charities across Wiltshire and are an expert on local need and disadvantage in communities.

In 2015/16 Wiltshire Community Foundation supported 87,625 people across Wiltshire by awarding grants of over £1.03 million to groups and individuals in need and has made a significant contribution to local communities by making grants of £10 million since 1991, giving money and support where people in Wiltshire and Swindon need it most. Over the last 40 years with the support of individuals, companies and trusts they have built an endowment of £18 million to generate grants for the future benefit of local communities and young people.

The Stronger Families Salisbury programme addresses family breakdown, child poverty and increasing levels of mental illness in one of the most deprived areas of Wiltshire, The Friary, Salisbury and is part of an overarching strategic programme that has responded to the needs identified within Wiltshire. The organisational strategy underpins the importance of the strategic programme and has prioritised delivery accordingly. WCF has a clear vision and mission of which the Stronger Families Salisbury programme is a significant element.

The initial £25k contribution from ECF has already helped raise further funding towards the Stronger Families programme and the foundation is keen to do in this area, as well as participating in the crowd funding element of the Drove Lane refinancing.

*(If applicable, please just state "A social audit report covering these points is attached").*

*(Please continue on separate continuation sheet if necessary.)*

**PART 2 – CONSULTATION WITH STAKEHOLDERS** – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

Consultation with Salisbury Council and the Wiltshire Community Foundation concluded that the Stronger Families programme was the most appropriate local channel for the distribution of the community benefit funds from Drove Lane Solar Park CIC. This is being reviewed annually, in conjunction with the beneficial owner of the solar park – Empower Community Foundation.

*(If applicable, please just state "A social audit report covering these points is attached").*

**PART 3 – DIRECTORS' REMUNERATION** – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

No remuneration was received.

**PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION** – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

No transfer of assets other than for full consideration has been made.

*(Please continue on separate continuation sheet if necessary.)*



PART 5 – SIGNATORY

**The original report must be signed by a director or secretary of the company**

Signed



Date

20/12/18

Office held (delete as appropriate) Director/Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

|           |             |
|-----------|-------------|
|           |             |
|           |             |
|           |             |
| Tel       |             |
| DX Number | DX Exchange |

**When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:**

*For companies registered in England and Wales:* Companies House, Crown Way, Cardiff, CF14 3UZ  
DX 33050 Cardiff

*For companies registered in Scotland:* Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139  
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

*For companies registered in Northern Ireland:* Companies House, 2nd Floor, The Linenhall, 32-38  
Linenhall Street, Belfast, BT2 8BG

The accounts and CIC34 **cannot** be filed online

**(N.B. Please enclose a cheque for £15 payable to Companies House)**