Parent AA's for
Hulley Road Energy
Storage Limited
9427305

Registered Number: 10723411

ANESCO ACQUISITIONCO LIMITED

ANNUAL REPORT AND CONSOLIDATED STATUTORY FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2018

ANESCO ACQUISITIONCO LIMITED

COMPANY INFORMATION

DIRECTORS	Stephen Shine Kevin Mouatt Chris Mutter Natalia Tsitoura Alex Walker Charles St John
REGISTERED NUMBER	10723411
REGISTERED OFFICE	The Green Easter Park Benyon Road Reading Berkshire RG7 2PQ
INDEPENDENT AUDITOR	Deloitte LLP Abbots House Abbey Street Reading RG1 3BD
BANKERS	Barclays Bank plc Level 27 1 Churchill Place London E14 5HP Royal Bank of Scotland plc Thames Valley Corporate Office Abbey Gardens 4 Abbey Street Reading Berkshire RG1 3BA

ANESCO ACQUISITIONCO LIMITED

CONTENTS

STRATEGIC REPORT
FOR THE PERIOD ENDED 31 MARCH 2018

PRINCIPAL ACTIVITIES

The Group's (Anesco Acquisitionco Limited and related subsidiaries) principal activity is the commercial development of energy storage, renewable energy and other energy efficient projects. This is focused on the delivery of utility scale energy storage solutions, and large scale solar photo voltaic (PV) installations throughout the UK. Integral to this model are the other key activities of the Group including AnescoMeter, which provides operational and maintenance services for third party solar PV site owners, ECO, which supports the UK's leading utilities to meet their obligations in respect of energy efficiency and combatting fuel poverty, and Commercial, Industrial & Domestic, which helps high energy use organisations and domestic properties reduce their energy costs and carbon emissions.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Company was newly incorporated on 12 April 2017 and purchased 100% of the share capital of both Anesco Topco Limited and Anesco Bidco 2 Limited on 7 May 2017, for a nominal fee.

Following the strategic repositioning of the Group towards Energy Storage, the Group recorded a Gross Profit for the period of £18.7m representing a margin of 25.3%. Revenues in the period totalled £72.7m. During the period, the Group progressed its strategic repositioning into the energy storage market and as well as delivering the first subsidy free grid parity site at Clay Hill, it established itself as the owner/operator of Energy Storage assets, thereby enhancing margins

As part of our current activities, we are focused on finding and developing new sites and as such, we have a high quality, long-term project pipeline which will be key to ensuring the continued success of the Group. At the heart of the Group's strategy is a recognition that the ability to add value across the renewable energy generation and energy efficiency value chain is key, as well as the ability to work on both sides of the meter.

The Group has already taken ownership of a number of sites constructed by the Group to benefit from the recurring revenues generated from these sites. While there are further projects identified, we have seen an increasingly strong market for potential sites over recent months which is encouraging for the future of the business The Directors, in agreement with the Group's principal shareholder, consider the key KPI of the Group to be Adjusted EBITDA, which comprises earnings before interest, tax, depreciation, amortisation and exceptional costs, being specific non-recurring items which would otherwise distort the underlying performance of the Group. Exceptional costs total £1.3m and relate to restructuring (£0.5m) and legal costs not relating to current trading (£0 8m) A reconciliation of the Profit before Tax for the period to Adjusted EBITDA is shown below

	Period ended **31 March 2018** **£**
Loss before tax	(9,308,146)
Depreciation	289,123
Amortisation	8,413,637
Net Interest payable	9,176,083
Profit on Sale of SPV's	(820,876)
Foreign exchange gains	(320,937)
Exceptional items	1,315,615
Adjusted EBITDA	**8,744,499**

In addition to the above, the Directors, in agreement with the Group's principal shareholder, consider that in relation to sites where the prospective buyer is of significant economic standing, and construction is in progress, this would meet for covenant purposes the requirements for construction contract recognition of revenue and margin. At this stage the outcome of the contract can be reliably measured and is based on a stage of completion recognition In addition, further costs where there is not expected to be a cash flow impact have also been excluded. For the purposes of the loan agreements held by the Group headed by Anesco AcquisitionCo Limited, of which the Company is a subsidiary, the Directors have calculated Adjusted EBITDA for financial covenant purposes that exclude the impact of these items and have agreed with its lenders that such items can be so excluded. In the Group's financial statements revenue and margin is recognised on completion of the sale under FRS102 rather than on a percentage of completion basis.

In respect of the three sites included in the revenue recognition adjustment in the table below, all three have been completed, and consideration received subsequent to the year end and prior to the signing of these financial statements.

The Adjusted EBITDA for the Company, to be included in the Anesco AcquisitionCo Group consolidated calculation for covenant purposes is calculated as follows:

	Period ended 31 March 2018 £
Adjusted EBITDA	8,744,499
Management adjustments - revenue recognition	4,970,744
Management Adjustments – Annualised Trading*	136,365
Management Adjustments – UK GAAP**	158,000
Adjusted EBITDA for Group covenant purposes	**14,009,608**

* Proforma adjustment to reflect the position as if the Company acquired its subsidiaries at 7 April 2017.
** Proforma adjustment relating to provisions which were not required under UKGAAP, however are recognised under FRS 102

The risks associated with the Group are as follows:

Government Policy:

The cleantech and renewable energy industry is significantly influenced by Government policies, legislation and subsidies. The ending of the Renewable Obligation Certificates (ROC) subsidy regime removed a substantial distortion to the marketplace and provoked the withdrawal of several participants During the period, the Group has devoted substantial resources into re-engineering its processes for developing sites and stripping out costs, which was reflected with our development of the first subsidy free offering to the solar PV marketplace. In addition, the Group has been able to capitalise on diversification opportunities presented as a result of the removal of the subsidy regime, most notably the move into the new energy storage marketplace has delivered a total of 87MW of energy storage up to the date of signing of these financial statements.

The ECO scheme has no cost to government, and instead the government places an obligation and target spend on energy companies to make UK homes more energy efficient in line with wider government policy covered in the Clean Growth Strategy. The Department for Business, Energy and Industrial Strategy (BEIS) has now committed to the operation of the scheme to at least 2022 which provides added security to our ECO business.

The regulatory bodies governing the energy industry generally can impact the Group's strategic direction, particularly in respect of the speed of adoption of new technologies and processes. The Group maintains regular contact with these regulatory bodies and seeks to participate in the development of policy where possible. In conjunction with this, the Group has access to market-leading policy influencing think tanks and lobby Groups.

Financial Risks:
The Board has responsibility for monitoring financial risks and its policies are implemented by the Chief Financial Officer. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group, as described below:

1. Price Risk
The Group is exposed to changes in the market prices of its materials. To manage this the Group has developed a broad supply base, purchasing directly from the manufacturer where possible to minimise cost, and negotiating framework agreements with key suppliers to ensure price stability, and where possible, price reductions as a result of technological advances.

2 Credit Risk
The Group's principal financial assets are cash and trade debtors. The credit risk associated with cash is limited as the counterparties have high credit ratings assigned by international credit rating agencies Trade debtors presented in the balance sheet are presented net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. New credit customers are subject to approval and credit reports from reputable credit reference agencies are used to aid decision making prior to credit being offered

3. Foreign Exchange Risk
The Group makes purchases in Sterling, Euro and US Dollars but only receives payments in Sterling which exposes the Group to foreign exchange risk The Directors are risk averse in their approach so when the business considers it to be favourable the Group enters into forward contracts to hedge these exposures as soon as currency requirements are known.

4 Interest Rate Risk
The Group is exposed to interest rate risk through its loan facility which is priced as LIBOR plus a fixed margin. The facility may be repaid at any time and is regularly drawn and repaid, reducing the mid-term and long-term exposure of the interest rate risk. The Board are mindful of the impact a rise in the Bank of England base rate would have, and monitor when rate increases are forecast by the market

KEY PERFORMANCE INDICATORS

Safety is central to the Group's activities and key to the development of our sites. All our processes are aligned to international standards for quality management (ISO 9001), environmental management (ISO 14001) and Health & Safety management (OHSAS 18001). In addition, the Group has retained the RoSPA Gold Award for occupational health and safety for the past five years.

The Group retained the Gold Investors in People award during the period, reflecting our belief that the Group's greatest asset is its people. Employees are kept informed of Group developments by quarterly staff presentations delivered by the executive board, a regular newsletter and face to face meetings. Consultation with employees take place and employees are made aware of their contribution to the Group through individual performance appraisals. Employees are regularly invited to attend Board meetings as observers.

During the period we have continued to deliver an exceptional Health and Safety performance. This was recognised by ROSPA granting Anesco a gold award for Occupational Health and Safety.

As described above, the main financial key performance indicator is Adjusted EBITDA, that is, earnings before interest, tax, depreciation, amortisation and exceptional items. Further detail of this performance measure can be found in the Business Review section on page 3.

GOING CONCERN

With the successful delivery of subsidy free solar sites up to the end of the subsidy regime at 31 March 2017, and the subsequent strategic repositioning of the Group into the energy storage marketplace, based upon the Group's trading during the period which saw an improvement in margins, combined with its strong order book and its available banking facilities, the Directors believe that the Group is well placed to manage its business risks successfully.

At the period end, the Group maintained lending facilities with its owners to fund projects to be delivered over the next 12 months. Under these facilities, the Group is required to comply with specific covenants and has a letter of support in place confirming that funding will not be withdrawn, from the Alcentra investment funds, as both the debt holders and shareholders in the ultimate holding Group, for a period not less than 12 months from the date of signing these financial statements.

In addition to annual yearly forecasts prepared on a timely basis and reviewed against actual performance throughout the year, the Board manages the Group using detailed financial cash flows that are updated regularly. These forecasts have been reviewed in depth by the Board, against the backdrop of the principal risks detailed on page 5 of this report and indicate that the Group has sufficient financial resources to settle its obligations as they fall due The Board therefore believes that it is appropriate to continue to adopt the going concern basis in preparing the financial statements of the Group.

ENVIRONMENTAL POLICY

Recognising that it should promote the protection of the environment which is central both to the products and services it offers, as well as recognising responsible business operating standards, the Group has adopted the following Environmental policy with a view to the continual improvement of its environmental management processes.

Environmental objectives and targets are set by the Group's Safety, Health and Environment (SHE) Group as part of the annual SHE Action Plan, and progress is monitored and reported at regular meetings. The Group is committed to meet the requirements contained within the Environmental Management Systems standard BS EN ISO 14001: 2004.

The Group is committed to complying with and exceeding all applicable legal requirements and any other requirements needed to meet environmental targets and preventing pollution to land, air or water In that context, it seeks:

- continual improvement in the management of environmental aspects,
- to set clear and measurable targets for staff based on the key environmental aspects and potential impacts on the environment;
- to maintain an effective environmental management system;
- to ensure adequate resource to show continual improved performance;
- to effectively manage all operations performed by staff and contractors to ensure compliance with all environmental requirements;
- to provide environmental information on Group activities on request;
- innovation in its business processes to reduce fuel consumption; and
- to work with its suppliers to reduce waste caused by packaging.

This policy is communicated and implemented at all levels of the organisation.

SOCIAL POLICY

Information is provided regularly by means of normal management communication channels using written material, the intranet and both Group-wide and face-to-face meetings. Consultations with employees take place regularly and employees are made aware of their contribution to the Group through individual performance appraisals.

It is the policy of the Group to give full and fair consideration to applications for employment irrespective of age, gender or disability, and to continue wherever possible the employment of members of staff who may become disabled and to ensure that suitable training, career development and promotion is afforded to such persons

The Group encourages the training of all members off staff, and organises regular training courses specific to an individual's area of expertise and career development, as well as training related to a specific concern such as health and safety and environmental education.

GOVERNANCE

Corporate governance:

Whilst we are not required to comply with the UK Corporate Governance Code, we have reported on our Corporate Governance with respect to Board and Committee arrangements, as applied through Anesco Aquisitionco Ltd, as holding Group for Anesco Ltd, by drawing upon those aspects of the UK Corporate Governance Code that we consider to be relevant to the Group

Board:
The Board of Anesco Acquisitionco Ltd, a holding Group of Anesco Ltd, comprises six Directors, three of whom are non-executives. Between them, the Directors have many years of experience in the Group's principal activities and in the utilities and energy sectors generally as well as in the corporate finance arena

The Board of Anesco Acquisitionco Ltd meets at least 11 times each year, and procedures are put in place whereby non-executive Directors can seek independent professional advice in the furtherance of their duties.

The Board of Anesco Acquisitionco Ltd has implemented a format and timetable for the provision of financial and other information to Board members and senior executives to ensure the timeliness and quality of that information and to ensure that Directors and senior management are properly briefed.

Board Committees
The Board of Anesco Acquisitionco Ltd has two committees, the Audit Committee, and the Remuneration and Nominations Committee.

Audit Committee: the primary responsibilities of the Audit Committee, which meets at least twice a year, are to review the financial statements of the Group and parent company, to consider the appointment of external auditors, their effectiveness and independence and to review risk management. This Committee is chaired by Charles St John, a non-executive Director of Anesco Acquisitionco Limited.

Remuneration and Nominations Committee: The Remuneration and Nominations Committee meets at least twice a year and is chaired by S Shine. The Remuneration and Nominations Committee is charged with the development and application of a formal and transparent policy for the appointment and remuneration for executive Directors, for remuneration policy for all staff, and for succession planning.

Relations with Stakeholders:
The Group's institutional investor is represented on the Board of the Group and on its various governance committees, and the Group meets with its debt providers on an annual basis as well as providing them regularly with information throughout the year.

Subcontractors and suppliers:
The Group engages and contracts with suppliers, on a local and international level, through a tendering process where appropriate and maintains regular contact with them to enhance the Group's product and service offering

This report was approved by the board on 16 August 2018 and signed on its behalf.

Stephen Shine
Executive Chairman

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2018

The Directors present their report and the financial statements for the period ended 31 March 2018. The Company was incorporated on 12 April 2017, these are the first set of financial statements and present the results of the Group for the period from incorporation to 31 March 2018. Financial risk management and Employee consultation have been included within the strategic report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual Report and the statutory financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to.

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The loss for the period, after taxation, amounted to £9,191,420.

The Directors do not recommend the payment of a dividend

DIRECTORS

The current Directors and at the end of the period were as follows:

Stephen Shine	Appointed	7 November 2017
Kevin Mouatt	Appointed	7 November 2017
Chris Mutter	Appointed	7 November 2017
Charles St John	Appointed	7 November 2017
Natalia Tsitoura	Appointed	12 April 2017
Alex Walker	Appointed	12 April 2017

Third party indemnity insurance, a qualifying third-party indemnity provision, is provided for all Directors of the Group during the period and also at the date of the approval of the financial statements, under policies held by the Group.

POLITICAL CONTRIBUTIONS

There were no political donations in the period; charitable donations were made totalling £10,000

FUTURE DEVELOPMENTS

The Group will continue its strategic repositioning into Energy Storage Systems over the next 12 months, which complements its expertise in the implementation of large scale PV sites and will allow it to benefit from recent developments in the energy infrastructure marketplace in the UK and overseas. Further information is included in the Strategic report.

RESEARCH AND DEVELOPMENT ACTIVITIES

The Group has continued to develop AnescoMeter and invested further funds during the period to specifically enhance and add functionality. AnescoMeter is a bespoke software program that was designed to monitor and report on the performance of renewables assets and infrastructure, regardless of whether the system was installed by the Group or a third party. The software can read any meter worldwide such that AnescoMeter can monitor a variety of energy generating assets including biomass boilers, solar PV and heat pumps

The software can immediately highlight a fault with a monitored installation and schedule a maintenance visit, maximising uptime of the installation. The software also automates much of the administration around reporting and payments.

During the period the Group has also invested in energy storage remote monitoring and reporting technology. This is expected to continue into the new financial year, in conjunction with investment in the process of developing hybrid battery and subsidy free solar sites.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that.

- so far as the Director is aware, there is no relevant audit information of which the Group and the Group's auditor is unaware; and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Group and the Group's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

POST BALANCE SHEET EVENTS

There are no significant post balance sheet events which require disclosure

AUDITOR

Deloitte LLP were appointed as auditor during the prior period and have expressed their willingness to continue in office

This report was approved by the board on 16 August 2018 and signed on its behalf.

Kevin Mouatt
Director

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF ANESCO ACQUISITIONCO LIMITED

Report on the audit of the financial statements

Opinion
In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2018 and of the Group's loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Anesco Acquisitionco Limited (the 'parent Company') and its subsidiaries (the 'Group') which comprise.

- the consolidated profit and loss account,
- the consolidated and parent Company balance sheets,
- the consolidated cash flow statement;
- the consolidated and parent Company statements of changes in equity, and
- the related notes 1 to 29.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Group and the parent Group 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.

Conclusions relating to going concern
We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in 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 Group's or the parent 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

We have nothing to report in respect of these matters.

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.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF ANESCO ACQUISITIONCO LIMITED (Continued)

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 respect of these matters.

Responsibilities of Directors
As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the parent Group'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 Group or the parent Group 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. This description forms part of our auditor's report.

Use of our report
This report is made solely to the Group'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 Group'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 Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

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.

In the light of the knowledge and understanding of the Group and of the parent Company and their environment

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF ANESCO ACQUISITIONCO LIMITED (Continued)

obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Directors' report

Matters on which we are required to report by exception.
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters

Simon Olsen FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom
16 August 2018

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 12 APRIL 2017 TO 31 MARCH 2018

	Note	Period from 12 April 2017 to 31 March 2018 £
Revenue	3	72,680,902
Cost of sales		(54,005,746)
GROSS PROFIT		18,675,156
Administrative expenses		(18,817,468)
Other Income		10,249
OPERATING LOSS	4	(132,063)
Interest receivable and similar income	8	259,795
Interest payable and similar expense	9	(9,435,878)
LOSS BEFORE TAXATION		(9,308,146)
Tax credit on loss	10	116,726
LOSS FOR THE PERIOD		(9,191,420)

There were no items of comprehensive income in the current or prior period other than the loss for the period and, accordingly, a separate statement of comprehensive income has not been presented.

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

Registered Number 10723411

	Note		31 March 2018 £
FIXED ASSETS			
Intangible assets	12		105,068,155
Tangible assets	13		1,566,517
			106,634,672
Debtors. amounts falling due after one year	15		417,121
CURRENT ASSETS			
Stocks	14	36,198,249	
Debtors: amounts falling due within one year	16	20,361,078	
Cash at bank and in hand		4,728,102	
		61,287,429	
Creditors: amounts falling due within one year	17	(21,825,713)	
NET CURRENT ASSETS			39,461,716
Total assets less current liabilities			146,513,509
Creditors: amounts falling due after one year	18	(146,343,200)	
PROVISIONS FOR LIABILITIES			
Deferred tax	20	(9,361,596)	
Net liabilities			(9,191,287)
Capital and reserves			
Called up share capital	21		133
Profit and loss account	22		(9,191,420)
			(9,191,287)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 August 2018

Chris Mutter
Director

ANESCO ACQUISITIONCO LIMITED

COMPANY BALANCE SHEET AS AT 31 MARCH 2018
Registered Number 10723411

	Note		31 March 2018
	Note		£
FIXED ASSETS			
Investments	28, 29		27
			27
CURRENT ASSETS			
Debtors: amounts falling due within one year		-	
		-	
Creditors: amounts falling due within one year		(13,151)	
Net current liabilities			(13,151)
Total assets less current liabilities			(13,124)
NET LIABILITIES			(13,124)
CAPITAL AND RESERVES			
Called up share capital	21		133
Profit and loss account	22		(13,257)
			(13,124)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 August 2018.

Chris Mutter
Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2018

	Period from 12 April 2017 to 31 March 2018
	£
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss for the financial period	(9,191,420)
ADJUSTMENTS FOR:	
Amortisation of intangible assets	8,413,637
Depreciation of tangible fixed assets	289,123
Net interest payable	9,176,083
Taxation	(116,726)
Increase in stocks	25,115,466
Increase in debtors	(6,293,347)
(Decrease) in creditors	(37,676,438)
Corporation tax received	1,138,895
Interest paid	(1,847,119)
Net cash used in operating activities	(10,991,846)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of intangible fixed assets	(677,226)
Purchase of tangible fixed assets	(178,379)
Net cash acquired from transactions with subsidiary undertakings	14,128,447
Net cash generated by investing activities	13,272,842
Issue of ordinary shares	133
Debt facilities drawn	(30,052,836)
Debt facilities repaid	32,499,809
Net cash generated by financing activities	2,447,106
Net increase in cash and cash equivalents	4,728,102
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	-
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	4,728,102
Cash at bank and in hand	4,728,102

STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2018

Consolidated statement of changes in equity

	Called up share capital	Profit and loss account	Total equity
	£	£	£
***On incorporation* 12 April 2017**			
Issue of capital	133	-	133
Loss for the period	-	(9,191,420)	(9,191,420)
At 31 March 2018	133	(9,191,420)	(9,191,287)

Company statement of changes in equity

	Called up share capital	Profit and loss account	Total equity
	£	£	£
On incorporation 12 April 2017			
Issue of capital	133	-	133
Loss for the period	-	(13,257)	(13,257)
At 31 March 2018	133	(13,257)	(13,124)

1. ACCOUNTING POLICIES

1.1 General information and basis of accounting

Anesco AcquisitionCo Limited (the Company) is a private Company limited by shares incorporated on 12 April 2017, in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on page 1.
The principal activities of the Company and its subsidiaries (the Group) and the nature of the Group's operations are set out in the strategic report on pages 3 to 8.
The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.
The functional currency of Anesco Acquisitionco Limited is pounds sterling because that is the currency of the primary economic environment in which the Company operates. The consolidated financial statements are also presented in pounds sterling.

Anesco AcquisitionCo Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

In accordance with s408 of the Companies Act 2006, the exemption has been taken from presenting the company only Profit and loss account. The company made a loss of £13,257 in the period.

1.2 Basis of preparation of statutory financial statements

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

The preparation of statutory financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 2).

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 March each year, the results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-Group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

1. ACCOUNTING POLICIES (continued)

1.3 Going concern

With the successful delivery of subsidy free solar and the strategic repositioning of the Group in the energy storage marketplace and based upon the Group's trading during the period, its strong order book and its available banking facilities, the Directors believe that the Group is well placed to manage its business risks successfully.

At the period end, the Group maintained banking facilities with its owners to fund projects to be delivered in the next 12 months. Under these facilities, the Group is required to comply with specific covenants and has a letter of support in place confirming that funding will not be withdrawn, from the Alcentra investment funds, as both the debt holders and shareholders in the ultimate holding Group, for a period not less than 12 months from the date of signing these financial statements.

In addition to annual yearly forecasts prepared on a timely basis and reviewed against actual performance throughout the year, the Board manages the Group using detailed financial cash flows that are updated regularly. These forecasts have been reviewed in depth by the Board, against the backdrop of the principal risks detailed on page 5 of this report and indicate that the Group has sufficient financial resources to settle its obligations as they fall due. The Board therefore believes that it is appropriate to continue to adopt the going concern basis in preparing the financial statements of the Group.

1.4 Revenue

Revenue is the fair value of consideration received or receivable between knowledgeable, willing parties in an arm's length transaction It is not recognised if the Group retains significant risks and rewards of ownership, for example where the Group either continues managerial involvement to the degree usually associated with ownership or retains effective control over the goods sold. Revenue is recognised only upon the transfer of the risks and rewards of ownership.

The following criteria must also be met before revenue is recognised:

Construction Contracts

This is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use. For contract revenues to be recognised, a buyer must be identified, be of independent economic substance and committed to complete the purchase of the project under construction such that the risks and rewards associated with the sale have passed to the Buyer. When the outcome of a construction contract can be estimated reliably, the Group recognises contract revenue and contract costs associated with the construction contract as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period.

1. ACCOUNTING POLICIES (continued)

1.4 Revenue (continued)

Goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

• the Group has transferred the significant risks and rewards of ownership to the buyer;

• the Group 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 Group will receive the consideration due under the transaction Legal title to the goods sold does not finally transfer to the purchaser until consideration is fully paid; and

• the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract or the pattern of service delivered under the contract when all the following conditions are satisfied:

• the amount of revenue can be measured reliably,

• it is probable that the Group will receive the consideration due under the contract;

• the stage of completion of the contract at the end of the reporting period can be measured reliably; and

• the costs incurred and the costs to complete the contract can be measured reliably.

1.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis over its useful economic life of 10 years. Goodwill is reviewed for impairment annually by the Directors, along with the term of the estimated useful economic life.

1. ACCOUNTING POLICIES (continued)

1.5 Intangible assets (continued)

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. They are amortised on the following basis:

Goodwill	- 20 Years
Technology	- 10 – 25 years
Customer Relationships	- 15 – 20 years
Brand	- 20 years
Orderbook	- 1 – 3 years

1.6 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 to allocate the cost of assets less their residual value over their estimated useful lives, on a straight-line basis. Depreciation is provided on the following bases.

Long-term leasehold property	- 10 years
Plant and machinery	- 3 years
Fixtures and fittings	- 10 years
Computer equipment	- 3-10 years

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.

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account 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 Group 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 to continue to be charged over the period to the first market rent review rather than the term of the lease. FRS 102 was adopted for the period commencing 1 April 2015.

1.8 Stocks and Work in Progress

Stocks are stated at the *lower of cost and net realisable value*, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.9 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.

1.10 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.

1. **ACCOUNTING POLICIES (continued)**

1.11 *Financial instruments*

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets and financial liabilities are recognised when the Group 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 Group after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at 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.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11 9 of FRS 102 are subsequently measured at amortised cost using the effective interest method Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when; a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires

1. ACCOUNTING POLICIES (continued)

1.11 Financial instruments (continued)

(ii) Investments

In the Group balance sheet, investments in subsidiaries and associates are measured at cost less impairment

(iii) Equity instruments

Equity instruments issued by the Group are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

(iv) Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk The Group does not hold or issue derivative financial instruments for speculative purposes

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately.

(v) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. Where quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

(vi) Hedge accounting

The Group does not apply hedge accounting.

1.12 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.

1.13 Finance costs

Finance costs are charged to the Profit and loss Account 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.

1. **ACCOUNTING POLICIES (continued)**

1.14 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Profit and loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

1.15 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

1.16 Borrowing costs

All borrowing costs are recognised in the Profit and Loss Account in the period in which they are incurred.

1.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 Profit and Loss Account in the year that the Group 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.

1.18 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, 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 Group and the Group operate and generate 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:

1. ACCOUNTING POLICIES (continued)

1.18 Current and deferred taxation (continued)

- 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

1.19 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 1, 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.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Provisions

When evaluating inventory and debtors for recoverability risk, the Directors use their knowledge and experience to determine the provision required. When evaluating the impact of potential liabilities arising from claims against the Group, the Directors use their knowledge and experience and where necessary, take legal advice to assist them in arriving at their estimation of the liability taking into account the probability of the success of any claims and also the likely development of claims based on recent trends.

Key source of estimation uncertainty

The Group does not have any major sources of estimation uncertainty that, if revised, would result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of goodwill

Determining whether goodwill is impaired requires the Directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value Where the actual future cash flows are less than expected, an impairment loss may arise.

3. REVENUE

All revenue arose within the United Kingdom.

	Period ended 31 March 2018 £
ECO	26,332,865
Major Projects	36,651,090
C&I	1,636,164
Anescometer	8,060,783
	72,680,902

4. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	Period ended 31 March 2018 £
Hire of plant and machinery - operating leases	247,346
Hire of other assets - operating leases	282,640
Depreciation of tangible fixed assets (note 13)	289,123
Amortisation of intangible assets, including goodwill (note 12)	8,413,637
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts (note 5)	200,000
Exchange differences	(320,937)
Defined contribution pension cost (note 24)	142,762

5. AUDITOR'S REMUNERATION

	Period ended 31 March 2018 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	200,000
Total audit fees	**200,000**
Fees payable to the Group's auditor and its associates for other services to the Group:	
Taxation compliance services	53,350
Other taxation advisory services	41,770
All other assurance services	7,810
Total non-audit fees	**102,930**

6. EMPLOYEES

	Period ended 31 March 2018 £
Wages and salaries	6,799,979
Social security costs	551,860
Cost of defined contribution pension scheme	142,762
	7,494,601

	Period ended 31 March 2018 No.
Operations	138
Support	30
Directors	4
	172

7. DIRECTORS' REMUNERATION

	Period ended 31 March 2018 £
Directors' emoluments	416,577
Sums paid to third parties in respect of Directors' services	422,842
Social security contributions	77,040
	916,459

7. DIRECTORS' REMUNERATION (CONTINUED)

During the period retirement benefits were accruing to 4 Directors in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £451,878.

The highest paid Director is a member of the Company's defined contribution pension scheme and had no accrued entitlements under the scheme at the end of the year.

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	Period ended 31 March 2018 £
Other interest receivable	259,795
	259,795

9. INTEREST PAYABLE AND SIMILAR EXPENSE

	Period ended 31 March 2018 £
Bank interest payable	658,866
Interest payable in relation to loans with equity holders	8,777,012
	9,435,878

10. TAXATION

	Period ended 31 March 2018 £
CORPORATION TAX	
Current tax	
UK corporation tax on losses for the period	527,140
Adjustment in respect of Previous Periods	-
Total current tax	527,140
Deferred tax	
Origination and reversal of timing differences	(641,286)
Changes to tax rates	(2,580)
Total deferred tax	(643,866)
TAXATION ON LOSS ON ORDINARY ACTIVITIES	(116,726)

The standard rate of tax applied to reported profit is 19.00% per cent (2017: 19.98%) The applicable tax rate has changed following the substantive enactment of the Finance Act 2016. The group has unprovided losses of £0.5m. Deferred tax has not been recognised with respect to these losses due to uncertainty over future utilisation.

10. TAXATION (continued)

	Period ended 31 March 2018 £
Loss on ordinary activities before tax	(9,308,146)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00%	(1,768,548)
EFFECTS OF:	
Expenses not deductible for tax purposes	223,847
Income not taxable	(279,198)
Adjustments from previous periods	45,780
Tax rate changes	466,855
Depreciation on Ineligible assets	(208)
Gains/Rollover relief	62,276
Effects of group relief	25,927
Deferred tax not provided	1,106,543
TOTAL TAX CREDIT FOR THE PERIOD	(116,726)

11. *FACTORS THAT MAY AFFECT FUTURE TAX CHARGES*

There were no factors that may affect future tax charges.

12. *INTANGIBLE ASSETS*

	Goodwill £	Technology £	Customer Relationships £	Brand £	Order book £	Total £
Cost or valuation						
On incorporation	-	-	-	-	-	-
On acquisition	54,073,566	6,150,913	35,410,000	14,125,000	3,045,087	112,804,566
Additions	-	677,226	-	-	-	677,226
Disposals	-	-	-	-	-	-
At 31 March 2018	54,073,566	6,828,139	35,410,000	14,125,000	3,045,087	113,481,792
Amortisation						
On incorporation	-	-	-	-	-	-
Charge for the period	(2,474,981)	(396,248)	(1,849,925)	(647,396)	(3,045,087)	(8,413,637)
At 31 March 2018	(2,474,981)	(396,248)	(1,849,925)	(647,396)	(3,045,087)	(8,413,637)
Net book value						
At 31 March 2018	51,598,585	6,431,891	33,560,075	13,477,604	-	105,068,155
Remaining UEL	19	10-24	14-19	19	-	

Goodwill arose on the acquisition of the books and records, pre-contract discussions and goodwill of a related business. See note 28 for more details.

13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION					
On incorporation	-	-	-	-	-
On acquisition	401,589	698,338	215,409	650,409	1,965,745
Additions	48,898	-	23,108	106,373	178,379
Disposals	-	(280,391)	-	(8,093)	(288,484)
At 31 March 2018	450,487	417,947	238,517	748,689	1,855,640
DEPRECIATION					
On incorporation	-	-	-	-	-
Charge for the period on owned assets	51,909	23,539	27,526	186,149	289,123
At 31 March 2018	51,909	23,539	27,526	186,149	289,123
NET BOOK VALUE					
At 31 March 2018	398,578	394,408	210,991	562,540	1,566,517

14. STOCKS

	31 March 2018 £
Raw materials and consumables	1,252,036
Work in progress	34,946,213
	36,198,249

15. DEBTORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

During the period the Group provided energy saving assets to its customers under finance lease arrangements, with lease terms ranging between five and twenty years in duration. The gross investment in the lease by the Group is measured as the aggregate of the minimum lease payments receivable by the Group under the terms of the lease and any unguaranteed residual value accruing to the Group as lessor. At the balance sheet date, the total unguaranteed residual value accruing to the Group as lessor was £nil.

Minimum lease payments receivable by the Group under the terms of the finance leases are as follows:

	Amounts falling due in less than 1 year	Amounts falling due after 1 year	31 March 2018 £
Not later than 1 year (note 16)	77,673	-	77,673
Later than 1 year and not later than 5 years	-	270,227	270,227
Later than 5 years	-	146,894	146,894
Total	77,673	417,121	494,794

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 March 2018 £
Trade debtors	10,683,198
Other debtors	304,623
Finance lease receivable (note 15)	77,673
Prepayments and accrued income	9,295,584
	20,361,078

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 March 2018 £
Trade creditors	5,791,866
Taxation and social security	1,793,609
Accrued Interest	4,442,755
Other creditors	2,602,511
Accruals and deferred income	7,194,972
	21,825,713

18. LOANS

	Group 31 March 2018 £	Company 31 March 2018 £
Amounts falling due within one year		
Parent company facility	124,090,700	-
Amounts falling due between two and five years		
Other loan	22,252,500	-
	146,343,200	-

The loans are secured against the assets of the Group headed by Anesco Acquisitionco Limited. The loans are held with funds managed by Alcentra and incur interest at a rate of 7.25% plus Libor and the capital for the parent company facility is repayable in two tranches, £7,500,000 on 31 March 2019 and the remainder in November 2021 The other loan facility, also with Alcentra funds, is repayable in May 2021.

19. FINANCIAL INSTRUMENTS

	31 March 2018
	£
FINANCIAL ASSETS	
Financial assets measured at fair value through profit or loss	-
Financial assets that are debt instruments measured at amortised cost	20,577,707
FINANCIAL LIABILITIES	
Financial liabilities measured at fair value through profit or loss	-
Financial liabilities measured at amortised cost	168,168,913

Foreign currency forward contracts are held at fair value, using discounted cash flow valuation models Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties. These are level 2 in the fair value hierarchy

Financial assets and liabilities measured at fair value through profit or loss comprise open forward contracts at the balance sheet date.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, bank loans, taxation liabilities and accruals.

20. DEFERRED TAXATION

	2018 £
On incorporation	-
On acquisition	9,768,878
Adjustment in respect of prior years	53,807
Goodwill Tax Adjustments	182,776
Deferred tax charges utilised during the period	(643,865)
Provision at end of period	9,361,596

	31 March 2018 £
Fixed Asset Timing Differences	9,451,558
Tax losses carried forward	(89,962)
	9,361,596

Deferred tax assets and liabilities are offset only where the Group has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the Group. A deferred tax asset of £1,098,162 in respect of tax losses carried forward has not been provided as the Directors cannot foresee its recoverability with reasonable certainty.

21. SHARE CAPITAL

	31 March 2018 £
Shares classified as equity	
Authorised, allotted, called up and fully paid	
10,000 A *ordinary shares of £0.01 each*	100
3,317 B ordinary shares of £0.01 each	33
	133

Rights of A ordinary shares and B ordinary shares:
A ordinary shares rank pari passu with regards to dividend payments, distributions arising from winding up of the Company and other distributions. A ordinary shares are entitled to vote in any circumstances. B ordinary shares hold no voting rights. *On liquidation or exit the rights of shares are as determined in* the Company's Articles of Association.

22. RESERVES

Profit and loss account

There have been no direct charges to the profit and loss account in the period and no dividends have been paid or proposed in relation to the period, in either the Group or company only financial statements.

23. CAPITAL COMMITMENTS

	31 March 2018 £
Contracted for but not provided in these financial statements	-

24. PENSION COMMITMENTS

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension charge in the period amounted to £142,762.

There were no outstanding or prepaid contributions at either the beginning or end of the financial period.

25. COMMITMENTS UNDER OPERATING LEASES

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

	31 March 2018 £
Not later than 1 year	389,397
Later than 1 year and not later than 5 years	1,057,858
Later than 5 years	49,980
Total	1,497,235

26. RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption conferred by the Financial Reporting Standard 102 "Related party disclosures" not to disclose transactions with members of the Group headed by Anesco Aquisitionco Limited on the grounds that 100% of the voting rights in the Group are controlled within that Group and the Group is included in consolidated financial statements.

Period ended 31 March 2018	Sales and recharges to related parties £	Purchases and recharges from related parties £	Amounts owed from related parties £	Amounts owed to related parties £
Trading	-	405,660	-	58,071
	-	405,660	-	58,071

Trading balances represent amounts invoiced in respect of goods and services provided between related parties; loan balances relate to the transfer of cash between related parties in order to facilitate transactions with third parties.

The related party transactions disclosed in this note are included in trade creditors (note 17).

27. ULTIMATE PARENT AND CONTROLLING PARTY

The controlling party of Anesco Acquisitionco Limited is a range of funds managed by Alcentra Limited and as such hold direct control of 100% of the issued A share capital of the company.

28. ACQUISITION OF SUBSIDIARY UNDERTAKINGS

On 7 May 2017 the Company acquired 100 per cent of the issued share capital of Anesco TopCo Limited and Anesco BidCo Limited, companies whose primary activities are the commercial development of energy storage, renewable energy and other energy efficient projects; for consideration comprising of cash The fair value of the total consideration was £27, satisfied by cash The Company's investment in subsidiaries is £27 (note 29).

The acquisition has been accounted for using the acquisition method. The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the Group:

	Book Value	Revaluation	Fair Value to Group
	£000	£000	£000
Intangible Assets	89,103	(30,371)	**58,732**
Tangible Assets	1,966	-	**1,966**
Stocks	61,314	-	**61,314**
Debtors	14,158	-	**14,158**
Cash	14,241	-	**14,241**
Bank Loans	(138,068)	-	**(138,068)**
Trade Creditors	(27,277)	-	**(27,277)**
Accruals & Deferred income	(29,037)	-	**(29,037)**
Deferred Consideration	(334)		**(334)**
Deferred Tax	(5,802)	(3,967)	**(9,769)**
Net Liabilities	(19,736)	(34,338)	**(54,074)**
Goodwill (note 12)			54,074
			-
Satisfied by: Cash			-

Identified intangible assets arising on the acquisition consist of·

	£000
Orderbook	**3,045**
Customer Relationships & Contracted	**35,410**
Brand	**14,125**
Technology	**4,266**
	56,846

28. Acquisition of Subsidiary undertakings (continued)

In the period ended 31 March 2018, all turnover and profit of the acquired subsidiaries were included in the consolidated profit and loss account following the acquisition date.

There were three additional acquisitions in the period for total cash consideration of £1 2m, for Rock Energy Storage Limited (£0.5m), Larport Energy Storage Limited (£0.4m) and Walworth Energy Storage Limited (£0.3m). The net assets of the acquired companies was £nil. A fair value uplift of £1.2m was applied to the acquisition Balance sheets in relation to rights to build, which have been included within work in progress The acquisitions therefore result in goodwill of £nil. These entities provided £nil turnover or profit to the Group's results in the current year.

Subsidiary Undertakings	Registration Number	Effective Holding	%	Principal Activity	
Anesco Limited	07443091	Ordinary Shares	100	Trading Company	
Anesco South West Renewables PLC	09351832	Ordinary Shares	100	Trading Company	
Abingdon Energy Storage Limited	11216668	Ordinary Shares	100	SPV	*
Albrighton Hybrid Energy Limited	10650021	Ordinary Shares	100	SPV	*
Anesco Asset Management Eighteen Limited	09352177	Ordinary Shares	100	SPV	*
Anesco Asset Management Limited	07597560	Ordinary Shares	100	SPV	*
Anesco Asset Management Sixteen Limited	09297108	Ordinary Shares	100	SPV	*
Anesco Asset Management Ten Limited	08711595	Ordinary Shares	100	SPV	*
Anesco Asset Management Three Limited	08440727	Ordinary Shares	100	Holding Company	*
Anesco Battery Solutions Limited	08612106	Ordinary Shares	100	Trading Company	*
Anesco BidCo1 Limited	09290605	Ordinary Shares	100	Holding Company	*
Anesco BidCo2 Limited	09290606	Ordinary Shares	100	Holding Company	*
Anesco Biomass 1 Limited	09391163	Ordinary Shares	100	SPV	*
Anesco Biomass 2 Limited	09391275	Ordinary Shares	100	SPV	*
Anesco Cadland 2 Limited	08662061	Ordinary Shares	100	SPV	*
Anesco Community Energy Limited	10063489	Ordinary Shares	100	SPV	*
Anesco FinCo Limited	09290130	Ordinary Shares	100	Holding Company	*
Anesco MidCo Limited	09290524	Ordinary Shares	100	Holding Company	*
Anesco Rooftop Limited	09426759	Ordinary Shares	100	SPV	*
'Anesco TopCo Limited	09275306	Ordinary Shares	100	Holding Company	*
Clayhill Solar Limited	08662024	Ordinary Shares	100	Trading Company	*
Duddon Solar Limited	08105383	Ordinary Shares	100	SPV	*
Feckenham Energy Storage Ltd	09598280	Ordinary Shares	100	SPV	*
Green Hedge Energy Barn Limited	08274589	Ordinary Shares	100	Trading Company	*
Green Hedge Limited	08734485	Ordinary Shares	100	SPV	*
Hulley Road Energy Storage Limited	09427305	Ordinary Shares	100	SPV	*

28. Acquisition of Subsidiary undertakings (continued)

Ilmer Hydbrid Energy Limited	09579104	Ordinary Shares	100	SPV	*
Larport Energy Storage Limited	10051203	Ordinary Shares	100	SPV	*
Lovedean Energy Storage Limited	09547032	Ordinary Shares	100	SPV	*
Lovedean Energy Storage Two Limited	09579252	Ordinary Shares	100	SPV	*
Manor Farm Hybrid Energy Limited	09579199	Ordinary Shares	100	SPV	*
Mill Farm Energy Storage Limited	09352111	Ordinary Shares	100	SPV	*
Needless Hall Energy Storage Limited	09547029	Ordinary Shares	100	SPV	*
Partridge Hill Hybrid Energy Limited	09297114	Ordinary Shares	100	SPV	*
Radford Solar Two Limited	10648832	Ordinary Shares	100	SPV	*
Re-Fin Solar Limited	08105344	Ordinary Shares	100	SPV	*
Rock Energy Storage Limited	10051244	Ordinary Shares	100	SPV	*
Walworth Energy Storage Limited	10007854	Ordinary Shares	100	SPV	*
Anesco Asset Management Twenty Three Limited	09831588	Ordinary Shares	100	Dormant	
Anesco Biomass 3 Limited	09391572	Ordinary Shares	100	Dormant	
Anesco WB Solar Limited	09427294	Ordinary Shares	100	Dormant	
Bristol Community Solar CIC	09608121	Ordinary Shares	100	Dormant	
Camomile Solar Limited	09547122	Ordinary Shares	100	Dormant	
ESCO Hospital Solutions Limited	09160150	Ordinary Shares	100	Dormant	
Hammond Solar Limited	09608111	Ordinary Shares	100	Dormant	
The Paddock Solar CIC	09662285	Ordinary Shares	100	Dormant	

* S479A Audit Exemption has been taken for these subsidiaries

All companies within the Group have the registered office at The Green, Easter Park, Benyon Road, Reading, RG7 2PQ.
Anesco TopCo Limited and Anesco Bidco2 Limited are direct subsidiaries of Anesco AquisitionCo Limited.

29. FIXED ASSET INVESTMENTS

Anesco Acquisitionco Limited has a 100 percent interest in the undertakings listed in note 28.

These financial statements of Anesco Acquisitionco Limited include the results and financial position of the group's interests using the equity method of accounting.

Subsidiary undertakings - Company

	£
Cost	
On incorporation	-
Additions	27
	27
Provisions for impairment	
On incorporation	-
At 31 March 2018	-
Carrying value - Company	27