

Registered number: 09746019

Uccello Energy Limited

**Directors' report and financial statements
for the year ended 31 December 2020**

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Uccello Energy Limited

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Uccello Energy Limited

Company Information

Directors	E Fellows R Skinner
Company secretary	Octopus Company Secretarial Services Limited
Registered number	09746019
Registered office	6th Floor 33 Holborn London EC1N 2HT

Uccello Energy Limited

Directors' report for the year ended 31 December 2020

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2020.

Principal activities

The company is the parent company of an Italian subsidiary, the principal activities of which are the construction and operation of solar plants and the generation of solar power.

Going concern

The financial statements have been prepared on the going concern basis. The directors have assessed the effects of COVID-19 on the company's ability to meet its liabilities as they fall due, and determined that based on recent trading of the company and revised projections, the pandemic is not expected to have a significant impact on the company's business. The directors will continue to monitor the situation and take any necessary actions to minimise the possible impacts of COVID-19.

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise indicated, are given below:

E Fellows
S Goss (resigned 26 May 2021)
D Hastings (resigned 26 May 2021)
R Skinner (appointed 26 May 2021)

Brexit

The UK left the EU on 31 January 2020 and the transition period ended on 31 December 2020, in which time the UK and EU negotiated additional arrangements and concluded the "Trade and Cooperation Agreement". The directors have considered the impact on the company regarding the agreed exit terms within the agreement and wider regulatory and legal implications within these statutory financial statements and will continue to do so.

Post balance sheet events

On 14 February 2021, the company sold its investment in Rossini Energia S.R.L, a subsidiary for a consideration of £7,168,487, leading to profit on disposal of £2,184,523.

On 26 May 2021, 100% of the share capital of the company was sold to TM Trading Limited, a company incorporated in England. Uccello Energy Limited was acquired 100% by TM Trading Limited.

Uccello Energy Limited

Directors' report (continued) for the year ended 31 December 2020

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising the FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

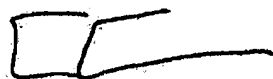
Small company exemption

In preparing this report, the directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a strategic report.

This report was approved by the board on

28 September 2021 and signed on its behalf.



**E Fellows
Director**

Uccello Energy Limited

Statement of comprehensive income for the year ended 31 December 2020

	2020 £	2019 £
Administrative expenses	(1,052,404)	(176,739)
Operating loss	(1,052,404)	(176,739)
Interest receivable and similar income	409,979	375,462
Interest payable and similar charges	(556,879)	(504,411)
Loss on ordinary activities before taxation	(1,199,304)	(305,688)
Tax on loss on ordinary activities	4,267	36,270
Loss for the financial year	(1,195,037)	(269,418)
Other comprehensive (expense)/income for the year		
Change in the value of hedging instrument	-	500,776
Movement of deferred tax relating to hedging instrument	(4,267)	(36,270)
Other comprehensive (expense)/income for the year	(4,267)	464,506
Total comprehensive (expense)/income for the year	(1,199,304)	195,088

All amounts above relate to continuing operations.

The notes on pages 8 to 16 form part of these financial statements.

Uccello Energy Limited

Registered number: 09746019

Balance sheet as at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Investments	5		4,983,964		4,983,964
			<hr/>		<hr/>
Current assets					
Debtors: amounts falling due after more than one year	6	4,154,239		3,913,475	
Debtors: amounts falling due within one year	6	51,829		457,011	
Cash at bank and in hand		68,082		166,764	
		<hr/>		<hr/>	
		4,274,150		4,537,250	
Creditors: amounts falling due within one year	7	(3,059,671)		(2,123,467)	
		<hr/>		<hr/>	
Net current assets			1,214,479		2,413,783
			<hr/>		<hr/>
Total assets less current liabilities			6,198,443		7,397,747
Creditors: amounts falling due after more than one year	8		(4,241,126)		(4,241,126)
			<hr/>		<hr/>
Net assets			1,957,317		3,156,621
			<hr/> <hr/>		<hr/> <hr/>
Capital and reserves					
Called up share capital	11		50,000		50,000
Share premium account			4,950,000		4,950,000
Cash flow hedge reserve			172,814		177,081
Accumulated losses			(3,215,497)		(2,020,460)
			<hr/>		<hr/>
Total shareholders' funds			1,957,317		3,156,621
			<hr/> <hr/>		<hr/> <hr/>

**Balance sheet (continued)
as at 31 December 2020**

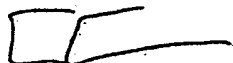
For the year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These accounts have been prepared in accordance with the 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 on 28 September 2021.



**E Fellows
Director**

The notes on pages 8 to 16 form part of these financial statements.

Uccello Energy Limited

Statement of changes in equity for the year ended 31 December 2020

	Called up share capital	Share premium account	Cash flow hedge reserve	Accumulated losses	Total shareholders' funds
	£	£	£	£	£
At 1 January 2019	50,000	4,950,000	(287,425)	(1,751,042)	2,961,533
Loss for the financial year	-	-	-	(269,418)	(269,418)
Deferred tax movements	-	-	(36,270)	-	(36,270)
Change in value of hedging instrument	-	-	500,776	-	500,776
At 1 January 2020	50,000	4,950,000	177,081	(2,020,460)	3,156,621
Loss for the financial year	-	-	-	(1,195,037)	(1,195,037)
Deferred tax movements	-	-	(4,267)	-	(4,267)
At 31 December 2020	50,000	4,950,000	172,814	(3,215,497)	1,957,317

The notes on pages 8 to 16 form part of these financial statements.

Uccello Energy Limited

Notes to the financial statements for the year ended 31 December 2020

1. General information

Uccello Energy Limited is a private company, limited by shares, incorporated in and domiciled in England, the United Kingdom, registered number: 09746019. The registered office is 6th Floor, 33 Holborn, London, EC1N 2HT.

The company is the parent company of an Italian subsidiary, the principal activities of which are the construction and operation of solar plants and the generation of solar power.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared on the going concern basis, under the historical cost convention except for financial instruments which are held at fair value and in accordance with Section 1 A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies (see note 3).

The company's functional and presentation currency is the pound sterling.

The following principal accounting policies have been applied:

2.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company;
- from disclosing the company's key management personnel compensation as required by FRS 102 para 33.7; and
- from disclosing related party transactions that are wholly owned within the same group.

2.3 Going concern

The financial statements have been prepared on the going concern basis. The directors have assessed the effects of COVID-19 on the company's ability to meet its liabilities as they fall due, and determined that based on recent trading of the company and revised projections, the pandemic is not expected to have a significant impact on the company's business. The directors will continue to monitor the situation and take any necessary actions to minimise the possible impacts of COVID-19.

2.4 Consolidation

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group financial statements. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Uccello Energy Limited

Notes to the financial statements for the year ended 31 December 2020

2. Accounting policies (continued)

2.5 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.6 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.

2.7 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

2.8 Impairment of non financial assets

At each reporting date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the statement of comprehensive income.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the statement of comprehensive income.

Uccello Energy Limited

Notes to the financial statements for the year ended 31 December 2020

2. Accounting policies (continued)

2.9 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

2.10 Financial instruments

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 in case of an outright short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows 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 cost and 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 reporting date.

Uccello Energy Limited

Notes to the financial statements for the year ended 31 December 2020

2. Accounting policies (continued)

2.10 Financial instruments (continued)

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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. Some derivatives are designated for hedge accounting, these are discussed further in section 2.11.

2.11 Hedge accounting

The company uses foreign currency forward contracts in order to manage its exposure to cash flow risk on its financial instruments. These derivatives are measured at fair value at each reporting date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the period.

2.12 Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

Uccello Energy Limited

Notes to the financial statements for the year ended 31 December 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the financial year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

The most critical accounting judgements and estimates in determining the financial condition and results of the company are those requiring a greater degree of subjective or complete judgement. There are no judgements (apart from those involving estimates) that have a significant effect on amounts recognised in the financial statements.

(a) Critical judgements in applying the company's accounting policies

An annual review of the investment in the subsidiary has been undertaken which included assessing the present value of expected future cashflows in the subsidiary, along with management's knowledge of the business and its future plans, to establish whether the carrying value of the investment should be impaired.

(b) Critical accounting estimates and assumptions

The fair value of derivative financial instruments is considered to be a critical accounting estimate. This valuation is made in conjunction with the mark - to - market confirmations supplied by the derivative counterparties.

4. Employees and directors' remuneration

The company had no employees during the year (2019: none). The directors did not receive or waive any remuneration (2019: £nil).

Uccello Energy Limited

Notes to the financial statements for the year ended 31 December 2020

5. Investments

	Investments in subsidiary companies £
Cost	
At 1 January and 31 December 2020	6,401,841
Impairment	
At 1 January and 31 December 2020	1,417,877
Net book value	
At 31 December 2020	4,983,964
At 31 December 2019	4,983,964

Subsidiary undertakings

The company owns 100% of Rossini Energia S.R.L, a company registered in Italy. The registered office of Rossini Energia S.R.L is Trento (TN), Viale Verona, 190/4 CAP 38123, Frazione: Trento C/O Quintas Energy, Italia, S.R.L.

Rossini Energia S.R.L was disposed of following year ended 31 December 2020.

6. Debtors

	2020 £	2019 £
Amounts falling due after more than one year		
Amounts owed by group undertakings	4,154,239	3,913,475
Amounts falling due within one year		
Other debtors	608	396
Prepayments and accrued income	51,221	456,615
	51,829	457,011

Included within amounts owed by group undertakings is an unsecured loan with a year end balance totaling £4,154,239 (2019: £3,913,475). The loan bears interest at 10% (2019: 10%) and is repayable on 30 June 2022. Amounts owed by group undertakings are shown net of an impairment of £829,262 (2019: £nil).

Uccello Energy Limited

Notes to the financial statements for the year ended 31 December 2020

7. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,744	83,298
Amounts owed to group undertakings	3,000	3,000
Other creditors	282,719	193,931
Accruals and deferred income	892,291	433,606
Financial instruments	1,879,917	1,409,632
	3,059,671	2,123,467

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Included within financial instruments are derivative instruments totalling £1,879,917 (2019: £1,409,632). The derivatives are repayable by 30 April 2021.

8. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Debenture loans	4,241,126	4,241,126

Included within debenture loans is a secured loan over its subsidiary's shares with a year end balance totalling £4,241,126 (2019: £4,241,126). The loan bears interest at 10% (2019: 10%) and is repayable on 30 June 2022.

9. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at amortised cost	4,206,068	4,370,486
Financial liabilities		
Financial liabilities held at amortised cost	5,420,879	4,954,961
Financial liabilities measured at fair value through the statement of comprehensive income	1,879,917	1,409,632
	7,300,796	6,364,593

Uccello Energy Limited

Notes to the financial statements for the year ended 31 December 2020

10. Derivative financial instruments

The company has entered into foreign currency forward contracts in order to mitigate cash flow risk on its foreign currency loans. At 31 December 2020 the outstanding contracts have a maturity of less than one year.

	2020 £	2019 £
Measured at fair value through the statement of comprehensive income	<u>1,879,917</u>	<u>1,409,632</u>

11. Called up share capital

	2020 £	2019 £
Allotted, called up and fully paid		
5,000,001 (2019: 5,000,001) Ordinary shares of £0.01	<u>50,000</u>	<u>50,000</u>

12. Related party transactions

The company has identified the following transactions which are to be disclosed under the terms of FRS 102 "Related party transactions".

Rossini Energia S.R.L

On 20 December 2017, the company entered into a facility agreement providing a loan to its wholly owned subsidiary, Rossini Energia S.R.L. Interest at a total amount of £409,979 (2019: £375,462) was charged to Rossini Energia S.R.L during the year. At the year end, a total amount of £4,151,239 (2019: £4,299,257) was outstanding, of which £4,154,239 (2019: £4,302,257) is included in debtors and £3,000 (2019: £3,000) in creditors.

Rossini Energia S.R.L was disposed of following year ended 31 December 2020.

Terido LLP

On 20 December 2017 the company entered into a loan agreement with Terido LLP, a related party by virtue of common control. Interest at a total amount of £468,075 (2019: £419,470) has been charged to the company during the year. The total amount owing to Terido LLP at the end of the year was £5,130,718 (2019: £4,662,643).

13. Ultimate parent undertaking and controlling party

At year end the directors do not consider the company to have an ultimate controlling party or parent company, by virtue of a split holding in its shares. The results of the company are not consolidated within any other company.

Subsequent to year end, 100% of the share capital was acquired by TM Trading Limited. At date of signing the accounts, the company's immediate and ultimate parent undertaking was TM Trading Limited, a company incorporated in England. There is no ultimate controlling party.

Uccello Energy Limited

Notes to the financial statements for the year ended 31 December 2020

14. Events after balance sheet date

On 14 February 2021, the company sold its investment in Rossini Energia S.R.L, a subsidiary for a consideration of £7,168,487, leading to profit on disposal of £2,184,523.

On 26 May 2021, 100% of the share capital of the company was sold to TM Trading Limited, a company incorporated in England. Uccello Energy Limited was acquired 100% by TM Trading Limited.