

# **EEB17 LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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**EEB17 LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**For the year ended 31 March 2023**

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# **EEB17 LIMITED**

## **STRATEGIC REPORT**

### **For the year ended 31 March 2023**

The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

#### **BUSINESS REVIEW**

The company did not trade during the period 1 April 2022 to 31 March 2023. However, work on the development of the Solar farm in Cumbria commenced with stage payments made for the grid connection. The Company generated a loss of £45 during the year to 31 March 2023 (2022: nil) due to sundry bank charges, the grid connection costs being capitalised.

#### **FUTURE OUTLOOK**

In July 2023, the Company was acquired as part of the Pennon Group's long-term sustainable growth strategy in UK environmental infrastructure and target to accelerate the achievement of the Group's 2030 Net Zero commitment. The site in Cumbria is expected to generate over 30 GWh of electricity on an annual basis from solar photovoltaic panels. It is anticipated the site will commence generation during 2025.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

During the year the Company was a non-trading entity and as such there were deemed to be no principal risks. The principal risks and uncertainties of the ultimate parent company are disclosed in the risk report within Pennon Group plc's annual report and financial statements, which is available via the website [www.pennon-group.co.uk](http://www.pennon-group.co.uk) or a copy can be requested from Pennon Group plc, Peninsula House, Rydon Lane, Exeter EX2 7HR.

#### **GOING CONCERN**

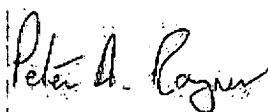
The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review and Future Outlook sections of the Strategic Report above.

Having considered the Company's funding position, the nature of its relationship with its parent Pennon Group plc and financial projections which take into account a range of possible impacts, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence to at the end of its going concern period to 31 December 2024 and there are no material uncertainties to disclose.

For this reason, they continue to adopt the going concern basis in preparing the financial statements.

#### **APPROVAL**

This report was approved by the board of directors and signed on its behalf by:



P Rayner  
Director  
30 December 2023

# **EEB17 LIMITED**

## **DIRECTORS' REPORT**

### **For the year ended 31 March 2023**

The Directors present their annual report and financial statements for the year ended 31 March 2023.

The Company's registered number is 10790759.

#### **DIRECTORS**

The Directors who served on the Board during the year and up to the date of signing the financial statements were:

Joseph Walsh (Resigned 10 July 2023)  
David Meehan (Resigned 10 July 2023)  
Gordon Mcelroy (Resigned 15 September 2022)  
Tony Kilduff (Resigned 10 July 2023)  
Ronan Kilduff (Resigned 10 July 2023)  
Dermot Kelleher (Resigned 10 July 2023)

P M Boote (appointed 10 July 2023)  
S J Davy (appointed 10 July 2023)  
P A Rayner (appointed 10 July 2023)

#### **DIRECTORS' INSURANCE AND INDEMNITIES**

The Directors have the benefit of indemnity provisions contained in the Company's Articles and the Company has maintained throughout the year Directors' and Officers' liability insurance for the benefit of the Company, the Directors and its Officers. The Company has entered into qualifying third party indemnity arrangements for the benefit of all its Directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

#### **DIVIDENDS**

No dividend was paid in 2023 or 2022.

#### **DISCLOSURES MADE WITHIN THE STRATEGIC REPORT**

Certain required Directors' Report disclosures have been made within the Strategic Report as permitted by the Companies Act 2006. Specifically, the going concern statement has been made in the Strategic Report, likely future developments in the business have been disclosed within the 'future outlook' section of the Strategic Report and financial risk management has been considered as part of the 'principal risks and uncertainties' section of the Strategic Report.

**EEB17 LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**For the year ended 31 March 2023**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for preparing the annual 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 Company financial statements in accordance with International Financial Reporting Standards (IFRSs) in conformity with the Companies Act 2006.

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 the year.

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

- Select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Estimates and Errors and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements of IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions of the Company's financial position and financial performance;
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company will not continue in business.

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. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board.



P Rayner  
Director  
30 December 2023

**EEB17 LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 31 March 2023**

	Notes	2023 £	2022 £
<b>Other operating costs</b>			
Other operating costs	7	45	-
<b>Loss for the year and total comprehensive income for the year</b>		<u>45</u>	<u>-</u>

All results are from discontinued operations.

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 31 March 2023**

	Share Capital (note 10) £	Retained Earnings (note 11) £	Total Equity £
At 1 April 2021	100	(354,051)	(353,951)
Profit for the year	-	-	-
Total comprehensive income	-	-	-
<b>At 31 March 2022</b>	<u>100</u>	<u>(354,051)</u>	<u>(353,951)</u>
Loss for the year	-	(45)	(45)
Total comprehensive income	-	(45)	(45)
<b>At 31 March 2023</b>	<u>100</u>	<u>(354,096)</u>	<u>(353,996)</u>

The notes on pages 8 to 12 form part of these financial statements.

**EEB17 LIMITED**  
**BALANCE SHEET**  
**As at 31 March 2023**

	Notes	2023 £	2022 £
<b>Non-current assets</b>			
Property plant and equipment	7	<u>1,701,599</u>	<u>-</u>
		<u>-</u>	<u>-</u>
<b>Current assets</b>			
Trade and other receivables	8	-	53,810
Cash and cash deposits	9	<u>55</u>	<u>100</u>
		<u>55</u>	<u>53,910</u>
<b>Current Liabilities</b>			
Trade and other payables	10	<u>(2,055,650)</u>	<u>(407,861)</u>
		<u>(2,055,650)</u>	<u>(407,861)</u>
<b>Net current liabilities</b>		<u>(2,055,595)</u>	<u>(353,951)</u>
<b>Net liabilities</b>		<u>(353,996)</u>	<u>(353,951)</u>
<b>Equity</b>			
Share capital	11	100	100
Retained earnings and other reserves	12	<u>(354,096)</u>	<u>(354,051)</u>
<b>Total equity</b>		<u>(353,996)</u>	<u>(353,951)</u>

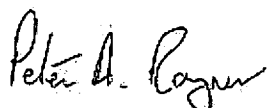
The notes on pages 8 to 10 form part of these financial statements.

For the financial year ended 31 March 2023 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 accounts.

These financial statements on pages 5 to 10 were approved by the Board and authorised for issue on 30 December 2023 and signed on its behalf by:



P Rayner  
Director

Registered Office: Peninsula House, Rydon Lane, Exeter, Devon, England EX2 7HR. Registered Number: 10790759

**EEB17 LIMITED**  
**CASH FLOW STATEMENT**  
**For the year ended 31 March 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	13	<u>45,804</u>	<u>-</u>
Net cash inflow arising from operating activities		<u>45,804</u>	<u>-</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		<u>(1,701,599)</u>	<u>-</u>
Net cash outflow arising from investing activities		<u>(1,701,599)</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
Invoices settled by group companies		<u>1,655,750</u>	<u>-</u>
Net cash generated arising from investing activities		<u>1,655,750</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>		<b>(45)</b>	<b>-</b>
Cash and cash equivalents at beginning of year		<u>100</u>	<u>100</u>
Cash and cash equivalents at end of year	9	<u>55</u>	<u>100</u>



# **EEB17 LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **For the year ended 31 March 2023**

#### **1. General information**

EEB17 Limited is a Company incorporated and domiciled in the United Kingdom under the Companies Act 2006. The address of the registered office is Peninsula House, Rydon Lane, Exeter, EX2 7HR. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

#### **2. Principal accounting policies**

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

##### **(a) Basis of preparation**

These financial statements have been prepared on the historical cost accounting basis and in accordance with International Financial Reporting Standards (IFRS) in conformity with the requirements of the Companies Act 2006. A summary of the principal accounting policies is set out below.

No critical accounting estimates or judgements have been applied in the preparation of these accounts. The financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except where otherwise stated.

Having considered the Company's funding position, the nature of its relationship with its parent Pennon Group plc and financial projections which take into account a range of possible impacts, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence to at the end of its going concern period to 31 December 2024 and there are no material uncertainties to disclose.

At the balance sheet date the company has net liabilities of £353,996 (2022: £353,951). Included in creditors are amounts due to parent undertaking company of £2,055,650 (2022: £399,900). Since the date of acquisition by Pennon Power Limited, the new parent company has confirmed that it will continue to support the company for the foreseeable future and is confident about the company's ability to trade as a going concern and meet its financial obligations.

For this reason, they continue to adopt the going concern basis in preparing the financial statements.

New or revised standards or interpretations which were mandatory for first time in the year beginning 1 April 2022 did not have a material impact on the net assets or results of the Company.

New standards or interpretations due to be adopted from 1 April 2023 are not expected to have a material impact on the Group's net assets or results.

##### **(b) Taxation including deferred tax**

The tax charge for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in the statement of comprehensive income or directly in equity. In this case the tax is also recognised in the statement of comprehensive income or directly in equity as appropriate.

Current tax is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates tax items subject to interpretation and establishes provisions on individual tax items, where in the judgement of management, the position is uncertain.

Deferred tax is provided in full on temporary differences between the carrying amount of assets and liabilities in the financial statements and the tax base, except where they arise from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be realised. Deferred tax is determined using the tax rates enacted or substantively enacted at the balance sheet date, and expected to apply when the deferred tax liability is settled or the deferred tax asset is realised.

# EEB17 LIMITED

## (c) Cash and cash deposits

Cash and cash deposits comprise cash in hand, short-term deposits held at banks and other short-term highly liquid deposits subject to insignificant risk of changes in value.

## (d) Financial instruments

The Company classifies its financial instruments in the following categories:

### Trade and other receivables

Trade and other receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts and the impact of discounting.

## 3. Financial Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to minimise the cost of capital. During the year, as the Company did not trade, it was not significantly exposed to other risks.

At 31 March 2023 the Company had cash and facilities of £55. The Company is not subject to any externally imposed capital requirements.

## 4. Other operating costs

	2023 £	2022 £
Bank charges	<u>45</u>	<u>-</u>

## 5. Employment costs

The Company has no employees (2022 none).

## 6. Directors' Emoluments

The Directors did not receive any remuneration from the Company during the year ended 31 March 2023 (2022: nil). No compensation for loss of office was paid to any Director during the period.

## 7. Property, plant and equipment Cost

	£
At 31 March 2021 and 2022	-
Additions	1,701,599
At 31 March 2023	<u>1,701,599</u>

## 8. Trade and other receivables – current

	2023 £	2022 £
Prepayments	<u>-</u>	<u>53,810</u>
	<u>-</u>	<u>53,810</u>

## EEB17 LIMITED

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### For the year ended 31 March 2023

##### 9. Cash and cash deposits

	2023 £	2022 £
Cash at bank and in hand	<u>55</u>	<u>100</u>

For the purposes of the cash flow statement, cash and cash equivalents comprise cash.

##### 10. Called up share capital

	2023 £	2022 £
<b>Allotted, called-up and fully paid</b>		
At 1 April Ordinary shares of £1 each	<u>100</u>	<u>100</u>
At 31 March Ordinary shares of £1 each	<u>100</u>	<u>100</u>

##### 11. Retained earnings and other reserves

	Retained earnings £	Total £
At 1 April 2021	(354,051)	(354,051)
Profit for the year	-	-
At 31 March 2022	<u>(354,051)</u>	<u>(354,051)</u>
Profit for the year	(45)	(45)
At 31 March 2023	<u>(354,096)</u>	<u>(354,096)</u>

##### 12. Related party transactions

During the year the Company entered into the following transactions with related parties:

	2023 £	2022 £
<b>Elgin Energy EsCo Limited</b>		
Settlement of grid stage payments	1,655,750	-
Adjustment to inter-company debt for grid deposit	(7,961)	-
Developer services agreement		399,900

Year end balances:

	2023 £	2022 £
<b>Elgin Energy EsCo Limited</b>		
Trading balance payable to parent	2,055,650	407,861

**EEB17 LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**For the year ended 31 March 2023**

**13. Cash flows from operating activities**

Reconciliation of profit to cash generated from operations:

	2023	2022
	£	£
Loss for the year	(45)	-
Decrease in Trade and other receivables	53,810	-
Adjustment to inter-company debt for grid deposit	(7,961)	-
<b>Cash generated from operations</b>	<b>45,804</b>	<b>-</b>

**14. Parent company**

The ultimate parent and controlling party is Pennon Group plc which is registered in England. Group financial statements are included in the Annual Report of Pennon Group plc, which is available from Peninsula House, Rydon Lane, Exeter, EX2 7HR.

**15. Events after the reporting period**

On 11 July 2023 the Company was acquired by Pennon Power Ltd, a subsidiary of Pennon Group plc