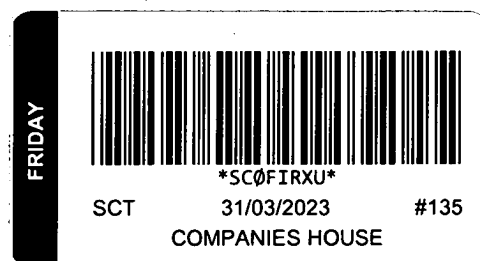


**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS  
EEB28 LIMITED)  
DIRECTORS' REPORT AND ACCOUNTS  
for the year ended 31 March 2022**

Registered No. 11132956



**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**DIRECTORS' REPORT AND ACCOUNTS**  
**for the year ended 31 March 2022**

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## **GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**

### **DIRECTORS' REPORT**

The directors present their report and audited Accounts for the year ended 31 March 2022. This report has been prepared in accordance with the special provisions relating to small-sized companies under section 415A of the Companies Act 2006. The directors have taken advantage of the small companies' exemption provided by section 414B of the Companies Act 2006 not to provide a Strategic Report.

#### **ACTIVITIES AND REVIEW**

The principal activity of Grafton Underwood Solar Limited (previously known as EEB28 Limited) ("the Company"), registered Company number 11132956, is the development of the Grafton Underwood solar plant. This activity will continue for the foreseeable future.

The Company was part of the Elgin Energy Group and was wholly owned by EEB C. F. CO. Limited until 13th January 2022, when 100% of the share capital of the Company was acquired by ScottishPower Renewables (UK) Limited ("SPRUKL"). SPRUKL is a member of the Scottish Power Limited group of companies ("ScottishPower"), which is headed by Scottish Power Limited ("SPL") in the United Kingdom ("UK"). The ultimate parent Company of SPL is Iberdrola, S.A. ("Iberdrola").

#### **RESULTS AND DIVIDENDS**

The net loss for the year was £35,261 (2021 result: nil). No dividends were paid in either the current or prior years.

Notwithstanding net liabilities of £784,447 the Accounts are prepared on a going concern basis. Refer to Note 1B2 for further details.

The Company continues to assess the impact of the war in Ukraine which broke out in early 2022. No material operational issues have arisen to date or are expected, however the Company will continue to monitor the situation and put mitigating actions in place if and when appropriate.

#### **FINANCIAL RISK MANAGEMENT**

The Company's principal financial instruments are included in the Statement of financial position. The principal financial risks to which the Company is exposed to are credit, liquidity and interest rate risk.

##### **(i) Credit Risk**

Credit risk is the risk that the counterparty will not meet its contractual obligations under a customer contract, leading to a financial loss. The Company is exposed to credit risk on trade receivable balances and deposits with banks or financial institutions.

##### **(ii) Liquidity Risk**

The Company's liquidity position and short-term financing activities are integrated and aligned with Iberdrola's. Liquidity risk, the risk that the Company will have insufficient funds to meet its liabilities, is managed by Iberdrola Group treasury who are responsible for arranging banking facilities on behalf of the SPL Group. SPL is the principal counterparty for the loan balances due.

##### **(iii) Interest Rate Risk**

The Company is exposed to interest rate risk on the variable rate loans which are in place with SPL.

#### **DIRECTORS**

The Directors who held office during the year were as follows:

Dermot Kelleher (resigned 13th January 2022)

Ronan Kilduff (resigned 13th January 2022)

Tony Kilduff (resigned 13th January 2022)

Gordon Fergus McElroy (resigned 13th January 2022)

David Meehan (resigned 13th January 2022)

Joseph Walsh (resigned 13th January 2022)

Alan Wall (resigned 13th January 2022)

Heather Chalmers White (appointed 13th January 2022)

James Malcolm Paterson (appointed 13th January 2022)

Yusuf Patel (appointed 13th January 2022)

As at the date of this report, there have been no changes to the composition of the board of directors of the Company ("the Board") since the year end.

## **GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**

### **DIRECTORS' REPORT *continued***

#### **QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

As permitted by the articles of association of Elgin Energy Holdings Limited ('EEHL') the ultimate parent undertaking and controlling party of the Company until 13 January 2022, during the financial period until that date any Director of the Company who is also a Director of EEHL had the benefit of an indemnity until the date the Company was acquired by SPRUKL. The indemnity was a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006.

From the 3 March 2022, a qualifying third-party indemnity provision has been in force for the benefit of all the Directors of the Company under SPRUKL ownership.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

The directors are responsible for preparing the Directors' Report and 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 they have elected to prepare the financial statements in accordance with UK-adopted international accounting standards 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 estimates that are reasonable, relevant, and reliable;
- state they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 their financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Directors' Report that complies with that law and those regulations.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### ***Disclosure of information to auditor***

Each of the directors in office as at the date of this Directors' Report and Accounts confirms that:

- so far as he or she is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he or she has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

#### **AUDITOR**

KPMG LLP was re-appointed as the auditor of the Company for the period ending 31 December 2022.

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**DIRECTORS' REPORT *continued***

This report has been prepared in accordance with the special provisions relating to small-sized companies under section 415A of the Companies Act 2006.

**ON BEHALF OF THE BOARD**

*Heather Chalmers White*

**Heather Chalmers White**  
**Director**  
**30 March 2023**

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**

## **Opinion**

We have audited the financial statements of Grafton Underwood ("the Company") for the year ended 31<sup>st</sup> March 2022 which comprise the Statement of financial position, Income Statement and Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31<sup>st</sup> March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **Other matter - Prior period financial statements**

We note that the prior period financial statements were not audited. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within these financial statements are unaudited. Our opinion is not modified in respect of this matter.

## **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28  
LIMITED) *continued***

**Fraud and breaches of laws and regulations – ability to detect**

*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the company has no revenue generating activities at this point in time.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted to unusual accounts.

*Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and others management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment law, regulatory capital and liquidity, environmental management and regulation, environmental protection and certain aspects of company legislation recognising the regulated nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28  
LIMITED) *continued***

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28  
LIMITED) *continued***

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Gordon Herbertson (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
319 St Vincent Street  
Glasgow  
G2 5AS  
30 March 2023

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**

Company Registration No. 11132956

**STATEMENT OF FINANCIAL POSITION**

as at 31 March 2022

	Notes	31 March 2022 £	31 March 2021 £	1 April 2020 £
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Current trade and other receivables	3	864,228	53,614	10,614
Cash and short-term deposits		-	100	100
<b>TOTAL CURRENT ASSETS</b>		<b>864,228</b>	<b>53,714</b>	<b>10,714</b>
<b>TOTAL ASSETS</b>		<b>864,228</b>	<b>53,714</b>	<b>10,714</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Of shareholders of the parent				
Share capital	5,6	100	100	100
Retained losses	6	(784,547)	(749,286)	(749,286)
<b>TOTAL EQUITY</b>		<b>(784,447)</b>	<b>(749,186)</b>	<b>(749,186)</b>
<b>CURRENT LIABILITIES</b>				
Bank borrowings and other current financial liabilities				
Loans and other borrowings	7	1,618,675	802,900	759,900
Current trade and other payables	8	30,000	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,648,675</b>	<b>802,900</b>	<b>759,900</b>
<b>TOTAL LIABILITIES</b>		<b>1,648,675</b>	<b>802,900</b>	<b>759,900</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>864,228</b>	<b>53,714</b>	<b>10,714</b>

Approved by the Board and signed on its behalf on 30 March 2023 by:

*Heather Chalmers White*Heather Chalmers White  
Director

The accompanying Notes 1 to 14 are an integral part of the Statement of financial position as at 31 March 2022.

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME**  
**for the year ended 31 March 2022**

	Notes	2022 £	2021 £
External services		(30,100)	-
<b>OPERATING (LOSS)/RESULT</b>		<b>(30,100)</b>	-
Finance costs	9	(5,161)	-
<b>(LOSS)/RESULT BEFORE TAX</b>		<b>(35,261)</b>	-
Income tax	10	-	-
<b>NET (LOSS)/RESULT FOR THE YEAR</b>		<b>(35,261)</b>	-

Net loss for the current year is wholly attributable to the equity holders of Grafton Underwood Solar Limited (Previously known as EEB28 Limited).

Net loss for the current year and results for prior year compromises total comprehensive income.

All results relate to continuing operations.

**STATEMENT OF CHANGES IN EQUITY**  
**for the year ended 31 March 2022**

	Share capital £	Retained losses £	Total equity £
At 1 April 2020 and 31 March 2021	100	(749,286)	(749,186)
Loss for the year attributable to equity holder of the Company	-	(35,261)	(35,261)
<b>At 31 March 2022</b>	<b>100</b>	<b>(784,547)</b>	<b>(784,447)</b>

The accompanying Notes 1 to 14 are an integral part of the Income statement and Statement of comprehensive income and Statement of changes in equity for the year ended 31 March 2022.

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**STATEMENT OF CASH FLOWS**  
**for the year ended 31 March 2022**

	2022 £	2021 £
Cash flows from operating activities		
(Loss)/result before tax	(35,261)	-
Adjustments for:		
Net finance income and costs	5,161	-
Changes in working capital:		
Change in trade and other receivables	(810,614)	(43,000)
Change in trade and other payables	30,000	-
<b>Net cash flows from operating activities (i)</b>	<b>(810,714)</b>	<b>(43,000)</b>
Cash flows from financing activities		
Movement in Group loans (refer to Note 7)	810,614	43,000
<b>Net cash flows from financing activities (ii)</b>	<b>810,614</b>	<b>43,000</b>
<b>Net decrease in cash and cash equivalents (i)+(ii)</b>	<b>(100)</b>	<b>-</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>100</b>	<b>100</b>
<b>Cash and cash equivalents at end of year</b>	<b>0</b>	<b>100</b>

The accompanying Notes 1 to 14 are an integral part of the Statement of cash flows for the year ended 31 March 2022.

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**NOTES TO THE ACCOUNTS**  
**31 March 2022**

**1 BASIS OF PREPARATION**

**A COMPANY INFORMATION**

Grafton Underwood Solar Limited (previously known as EEB28 Limited), registered Company number 11132956, is a private Company limited by shares, incorporated in England and Wales and its registered office is 4th Floor, 1 Tudor Street, London, EC4Y 0AH, England.

**B BASIS OF PREPARATION**

**B1 BASIS OF PREPARATION OF THE ACCOUNTS**

The Company is required by law to prepare accounts and to deliver them to the Registrar of Companies. The Accounts have been prepared in accordance with UK-adopted international accounting standards as at the date of approval of these Accounts and which are mandatory for the financial year ended 31 March 2022 ("UK-adopted IAS"). The Accounts are prepared in accordance with the Accounting Policies set out in Note 2. Monetary amounts are presented in pounds Sterling and rounded to the nearest pound. The Accounts are prepared on the historical cost basis.

These financial statements are the first financial statements of the Company to be prepared in accordance with UK-adopted IAS. In previous years, the Accounts were prepared under FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 were applied other than where additional disclosure was required to show a true and fair view.

The disclosures concerning the transition from FRS 102 subject to section 1A to UK-adopted IAS required by IFRS 1 'First-time Adoption of International Financial Reporting Standards' are set out in Note 14. FRS 102 subject to section 1A differs in certain respects from UK-adopted IAS. When preparing the 31 March 2022 financial statements, the directors have considered all accounting and valuation methods applied in the previous financial statements prepared in accordance with FRS 102 subject to section 1A and have concluded that there are no transitional adjustments required to comply with IFRS.

The Company's income statement and statement of comprehensive income and its statement of cash flows prepared in accordance with UK-adopted IAS are set out on pages 9 and 10 respectively. In prior years, under the provisions of FRS 102 subject to section 1A, the Company took advantage of the exemptions from filing an income statement and statement of comprehensive income and from preparing a cash flow statement. The format of the Company's UK-adopted IAS income statement and statement of comprehensive income aligns with the format applied by Iberdrola, S.A. and presented by nature.

**B2 GOING CONCERN**

The Company's business activities, together with the factors likely to affect its development and position, are set out in the Directors' Report on pages 1 to 3.

The Statement of financial position presents net current liabilities of £784,447 and net liabilities of £784,447 as at 31 March 2022. The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

As at the date of approval of these financial statements, the Company is part of ScottishPower which is a significant component of Iberdrola, one of the world's largest integrated utility companies. The company participates in a UK treasury function operated by the Company's intermediate parent company, SPL. The UK treasury function works closely with Iberdrola to manage the Company's funding requirements, which are reviewed and adjusted on a regular basis through the global treasury function.

Scottish Power UK plc ("SPUK"), an immediate subsidiary of SPL, has indicated its intention to provide the Company with the funding it requires, through the UK treasury function and utilising its committed facilities with SPL, for the period of at least 12 months from the date of signing these accounts. As with any Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue. However, at the date of approval of these financial statements, they have no reason to believe that SPUK will not do so.

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**NOTES TO THE ACCOUNTS *continued***  
**31 March 2022**

**1 BASIS OF PREPARATION *continued***

For the purposes of the directors' assessment of the Company's going concern position, and to satisfy them of the Company's ability to pay its liabilities as they fall due, the directors have prepared a cash flow forecast for a period of at least 12 months from the date of signing these accounts. This cash flow forecast takes account of severe but plausible downsides and indicates that the Company's existing resources and facilities and the support noted above from SPUK are sufficient to enable it to trade and pay its liabilities as they fall due for the forecast period.

The cash flow forecast indicates that the Company's existing resources and facilities and the support noted above from SPUK are sufficient to enable it to trade and pay its liabilities as they fall due for the forecast period.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**C ACCOUNTING STANDARDS**

**C1 IMPACT OF NEW IFRS**

As noted above, these Accounts have been prepared in accordance with UK-adopted IAS. In preparing these Accounts, the Company has applied all relevant IASs, International Financial Reporting Standards ("IFRSs") and International Financial Reporting Interpretations Committee interpretations ("IFRICs") (collectively referred to as IAS) that have been adopted by the UK as of the date of approval of these Accounts and that are mandatory for the financial year ended 31 March 2022.

For the year ended 31 March 2022, the Company has applied the following amendments for the first time:

<b>Standard</b>	<b>Notes</b>
• Amendments to IFRS 16 'Leases: Covid-19-Related Rent Concessions' and 'Covid 19-Related Rent Concessions beyond 30 June 2021'	(a),(b)
• Amendments to IFRS 9 'Financial Instruments'; IAS 39 'Financial Instruments: Recognition and Measurement'; IFRS 7 'Financial Instruments: Disclosures'; IFRS 4 'Insurance Contracts'; and IFRS 16 'Leases': 'Interest Rate Benchmark Reform - Phase 2'	(b)
• Amendments to IFRS 4 'Insurance Contracts: Extension of the Temporary Exemption from Applying IFRS 9'	(b)

(a) The first-noted amendment to IFRS 16 makes available a practical expedient around rent concessions affecting payments originally due on or before 30 June 2021. The latter amendment extends the time that practical expedient is available and is effective for periods commencing on or after 1 April 2021.

(b) The application of these amendments has not had a material impact on the Company's accounting policies, financial position or performance.

The following new standards and amendments to standards have been issued by the International Accounting Standards Board ("IASB") but have an effective date after the date of these financial statements or have not been endorsed by the UK, and thus have not yet been implemented by the Company:

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**NOTES TO THE ACCOUNTS *continued***  
**31 March 2022**

<b>Standard</b>	<b>Notes</b>	<b>IASB effective date (for periods commencing on or after)</b>	<b>Planned date of application by the Company</b>
• Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract'	(c)	1 January 2022	1 April 2022
• Amendments to IFRS 3 'Business Combinations: Reference to the Conceptual Framework'	(c)	1 January 2022	1 April 2022
• Amendments to IAS 16 'Property, Plant and Equipment: Proceeds before Intended Use'	(c)	1 January 2022	1 April 2022
• Annual Improvements to IFRS Standards 2018-2020 Cycle	(c)	1 January 2022	1 April 2022
• IFRS 17 'Insurance Contracts' including 'Amendments to IFRS 17' and 'Initial Application of IFRS 17 and IFRS 9 - Comparative Information'	(c)	1 January 2023	1 April 2023
• Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2: 'Disclosure of Accounting Policies'	(c)	1 January 2023	1 April 2023
• Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates'	(c)	1 January 2023	1 April 2023
• Amendments to IAS 12 'Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction'	(c)	1 January 2023	1 April 2023
• Amendments to IFRS 16 'Lease Liability in a Sale and Leaseback'	(c)	1 January 2024	1 April 2024
• Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as Current or Non-current', 'Deferral of Effective Date' and 'Non-current Liabilities with Covenants'	(c), (d)	1 January 2024	1 April 2024
• IFRS 14 'Regulatory Deferral Accounts'	(c), (d), (e)	1 January 2016	To be decided
• Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'	(c), (d), (f)	Deferred indefinitely	To be decided

- (c) The future application of this pronouncement is not expected to have a material impact on the Company's accounting policies, financial position or performance.
- (d) This pronouncement has not yet been endorsed by the UK.
- (e) The endorsement process of this interim standard has not been launched. On 29 January 2021, the IASB issued an exposure draft for a proposed replacement standard.
- (f) The IASB set the effective date of this pronouncement as for periods commencing on or after 1 January 2016. However, in December 2015, the IASB postponed the effective date indefinitely pending the outcome of its research project on the equity method of accounting. The endorsement process for this pronouncement has not been launched. The effective date will be amended in due course.

## **2 JUDGEMENTS, ESTIMATION UNCERTAINTIES AND PRINCIPAL ACCOUNTING POLICIES**

In determining and applying accounting policies, judgement is often required in respect of items which have a significant effect on the reported amounts of assets, liabilities, income and expenses recognised in the financial statements. Other than those involving estimates, the Company has no such judgements. At 31 March 2022, there were no assumptions made about the future or other major sources of estimation uncertainty which have significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities in the next financial year.

ScottishPower and so the Company considers that the impact of climate change risk and opportunities does not create any additional estimation uncertainty.

The principal accounting policies applied in preparing the Company's accounts are set out below:

### **A FINANCIAL INSTRUMENTS**

### **B TAXATION**

### **A FINANCIAL INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**NOTES TO THE ACCOUNTS *continued***  
**31 March 2022**

**A1 FINANCIAL ASSETS**

**A1.1 CLASSIFICATION**

Financial assets are classified as measured at amortised cost. The classification of financial assets depends on the Company's business model for managing them to generate cash flows.

The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. The business model of the Company does not depend on the intentions of management for an individual instrument. Therefore, it is not an instrument-by-instrument classification approach but determined from a higher level of aggregation.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is referred to as the 'SPPI' test.

Financial assets are only subsequently reclassified when the Company changes its business model for managing them. Reclassifications are effective from the first day of the first reporting period following the change in business model. Such reclassifications are expected to be infrequent.

**A1.2 RECOGNITION AND MEASUREMENT**

**(a) Initial recognition and measurement**

All financial assets, except for trade receivables which are initially recognised when they originate, are initially recognised when the Company becomes party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value, plus transaction costs that are directly attributable to its acquisition or issue except trade receivables without a significant financing component which are measured at the transaction price determined under IFRS 15 'Revenue from Contracts with Customers' ("IFRS 15").

**(b) Subsequent measurement and gains and losses**

Financial assets classified as amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses ("ECLs"). Interest income, foreign exchange gains and losses, and net credit losses are recognised in the Income statement and statement of comprehensive income. Any gain or loss on derecognition is also recognised in the Income statement and statement of comprehensive income.

**(c) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when either the rights to receive cash flows from the asset have expired or there is no reasonable expectation of recovering all, or a portion of, the contractual cash flows.

**(d) Impairment of financial assets**

**(i) Credit-impaired financial assets**

At each reporting date, the Company assesses whether financial assets carried at amortised cost are 'credit-impaired'. This is the case when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

**A2 FINANCIAL LIABILITIES**

**A2.1 CLASSIFICATION**

Financial liabilities are classified as measured at amortised cost.

**A2.2 RECOGNITION AND MEASUREMENT**

**(a) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.



**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**NOTES TO THE ACCOUNTS *continued***  
**31 March 2022**

**(b) Subsequent measurement and gains and losses**

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Income statement and statement of comprehensive income. Any gain or loss on derecognition is also recognised in the Income statement and statement of comprehensive income.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees, or costs that are an integral part of the effective interest rate. The effective interest charge is included as Finance costs in the Income statement and statement of comprehensive income.

**(c) Derecognition**

The Company derecognises a financial liability when the obligation under that liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, the original liability is derecognised and a new liability recognised. The difference in their respective carrying amounts is recognised in the Income statement and statement of comprehensive income.

**B TAXATION**

Assets and liabilities for current tax are calculated using the tax rates that have been enacted, or substantively enacted, at the reporting date.

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Income statement and statement of comprehensive income.

**3 TRADE AND OTHER RECEIVABLES**

	2022	2021
	£	£
<b>Current receivables:</b>		
Prepayments	864,228	53,614
	864,228	53,614

**4 FINANCIAL INSTRUMENTS**

**Carrying value of financial instruments**

The table below sets out the carrying amount and fair value of the Company's financial instruments.

	Classification	Notes	2022		2021	
			Carrying amount	Fair value	Carrying amount	Fair value
			£	£	£	£
<b>Financial assets</b>						
Receivables	Amortised cost	(i)	-	-	-	-
Cash	Amortised cost	(ii)	-	-	100	100
<b>Financial liabilities</b>						
Loans and other borrowings	Amortised cost		(1,618,675)	(1,618,675)	(802,900)	(802,900)
Payables	Amortised cost		(30,000)	(30,000)	-	-

The carrying amount of these financial instruments is calculated as set out in Note 2A. The carrying value of financial instruments is a reasonable approximation of fair value.

(i) Balances outwith the scope of IFRS 7 'Financial Instruments: Disclosure' ("IFRS 7") and IFRS 9 'Financial Instruments' ("IFRS 9") have been excluded, namely prepayments.

(ii) As a general rule, cash deposited with banks earns interest at rates similar to market rates on daily deposits.

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**NOTES TO THE ACCOUNTS *continued***  
**31 March 2022**

**5 SHARE CAPITAL**

	2022	2021
	£	£
<b>Allotted, called up and fully paid shares:</b>		
100 ordinary shares of £1 each (2021: 100)	100	100
	<b>100</b>	<b>100</b>

All rights attached, each share is entitled to one vote in any circumstances, is entitled *pari passu* to dividend payments or any other distribution and is entitled *pari passu* to participate in a distribution arising from a winding up of the Company.

**6 ANALYSIS OF MOVEMENTS IN EQUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE COMPANY**

	Share capital	Retained losses	Total equity
	£	£	£
At 1 April 2020 and 31 March 2021	100	(749,286)	(749,186)
Loss for the year attributable to equity holder of the Company	-	(35,261)	(35,261)
<b>At 31 March 2022</b>	<b>100</b>	<b>(784,547)</b>	<b>(784,447)</b>

(a) Retained losses comprises the cumulative balance of profits and losses recognised in the Accounts.

**7 LOANS AND OTHER BORROWINGS**

			2022	2021
Instrument	Interest rate*	Maturity	£	£
Loans with Elgin Energy Group companies	0.0%	On demand	-	802,900
Loans with Iberdrola Group companies	Base + 1%	On demand	1,613,514	-
Accrued interest			5,161	-
			<b>1,618,675</b>	<b>802,900</b>

\*Base – Bank of England Base Rate

**8 TRADE AND OTHER PAYABLES**

	2022	2021
	£	£
<b>Current trade and other payables:</b>		
Trade payables	30,000	-
	<b>30,000</b>	<b>-</b>

**9 FINANCE COSTS**

	2022	2021
	£	£
Interest on group borrowings	5,161	-
	<b>5,161</b>	<b>-</b>

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**NOTES TO THE ACCOUNTS *continued***  
**31 March 2022**

**10 INCOME TAX**

The tax credit on losses before tax for the year varied from the standard rate of UK Corporation tax as follows:

	2022	2021
	£	£
Corporation Tax at 19% (2021 19%)	(6,700)	-
Deferred tax not recognised	6,700	-
<b>Income tax for the year</b>	-	-

Legislation was enacted on 10 June 2021 under the Finance Act 2021 that will increase the UK Corporation tax rate to 25% from 1 April 2023.

The Company has not recognised a deferred tax asset in relation to £35,261(2021 result: nil) of losses due to the uncertainty over the availability of future taxable profits.

**11 EMPLOYEE INFORMATION**

The Company has no employees (31 March 2021: none).

**12 RELATED PARTY TRANSACTIONS**

**(a) Transactions and balances arising in the normal course of business**

	2022	2021	
	Other Iberdrola Group Companies (SPL)	Elgin Energy Holding Companies	Elgin Energy Holding Companies
	£	£	£
Types of transaction			
Interest costs	(5,161)	-	-
Balances outstanding			
Loans payable	(1,613,514)	-	(802,900)
Interest payable	(5,161)	-	-

(i) Elgin Energy Holdings Limited was the ultimate parent Company until 13 January 2022 when the 100% of the share capital was sold to SPRUKL.

**(b) Directors' remuneration**

The directors provided a minimal amount of qualifying services to the Company and consequently received no remuneration.

**(c) Immediate and ultimate parent Company**

The immediate parent company is SPRUKL. The registered office of SPRUKL is The Soloist, 1 Lanyon Place, Belfast, BT1 3LP.

The directors regard Iberdrola, S.A. (incorporated in Spain) as the ultimate parent Company.

Prior to 13 January 2022, the immediate parent Company was EEB C. F. CO. Limited and the ultimate parent Company was Elgin Energy Holdings Limited.

**13 AUDITOR'S REMUNERATION**

	2022	2021
	£	£
<b>Audit of the Annual accounts</b>	<b>30,000</b>	-

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**NOTES TO THE ACCOUNTS *continued***  
**31 March 2022**

**14 RECONCILIATION OF PREVIOUSLY REPORTED FINANCIAL STATEMENTS UNDER FRS 102 TO IFRS**

The Company's Accounts for the year ended 31 March 2022 are its first annual Accounts prepared under accounting policies that comply with IFRS.

Grafton Underwood Solar Limited (previously known as EEB28 Limited) Company's transition date to IFRS is 1 April 2020. The Company prepared its opening IFRS balance sheet as at that date.

The format of the income statement and statement of other comprehensive income and statement of financial position has been prepared in accordance with the requirements of IAS 1 and reflects the impact of adopting IFRS compliant Accounts. This is also the first year that the Company Accounts has presented a Statement of cash flows. In prior years due to the Company Accounts being prepared under FRS 102 1A and elected not to publish a Statement of cash flows.

Details of the Reconciliation of the Balance Sheet under FRS 102 1A to the Statement of financial position under IFRS as at 1 April 2020 and 31 March 2021 are provided below:

**(a) Reconciliation of the Balance Sheet under FRS 102 1A to IFRS as at 1 April 2020**

	<b>FRS 102 1A</b>	<b>IFRS</b>	<b>IFRS</b>
	<b>£</b>	<b>Reclassifications</b>	<b>£</b>
		<b>£</b>	<b>£</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Current trade and other receivables	10,614	-	10,614
Cash and short-term deposits	100	-	100
<b>TOTAL CURRENT ASSETS</b>	<b>10,714</b>	-	<b>10,714</b>
<b>TOTAL ASSETS</b>	<b>10,714</b>	-	<b>10,714</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Of shareholders of the parent			
Share capital	100	-	100
Retained losses	(749,286)	-	(749,286)
<b>TOTAL EQUITY</b>	<b>(749,186)</b>	-	<b>(749,186)</b>
<b>CURRENT LIABILITIES</b>			
Bank borrowings and other current financial liabilities			
Loans and other borrowings	759,900	-	759,900
Current trade and other payables	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>759,900</b>	-	<b>759,900</b>
<b>TOTAL LIABILITIES</b>	<b>759,900</b>	-	<b>759,900</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,714</b>	-	<b>10,714</b>

**GRAFTON UNDERWOOD SOLAR LIMITED (PREVIOUSLY KNOWN AS EEB28 LIMITED)**  
**NOTES TO THE ACCOUNTS *continued***  
**31 March 2022**

b) Reconciliation of the Balance Sheet under FRS 102 1A to IFRS as at 31 March 2021

	FRS 102 1A	IFRS Reclassifications	IFRS
	£	£	£
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Current trade and other receivables	53,614	-	53,614
Cash and short-term deposits	100	-	100
<b>TOTAL CURRENT ASSETS</b>	<b>53,714</b>	<b>-</b>	<b>53,714</b>
<b>TOTAL ASSETS</b>	<b>53,714</b>	<b>-</b>	<b>53,714</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Of shareholders of the parent			
Share capital	100	-	100
Retained losses	(749,286)	-	(749,286)
<b>TOTAL EQUITY</b>	<b>(749,186)</b>	<b>-</b>	<b>(749,186)</b>
<b>CURRENT LIABILITIES</b>			
Loans and other borrowings	802,900	-	802,900
Current trade and other payables	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>802,900</b>	<b>-</b>	<b>802,900</b>
<b>TOTAL LIABILITIES</b>	<b>802,900</b>	<b>-</b>	<b>802,900</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>53,714</b>	<b>-</b>	<b>53,714</b>