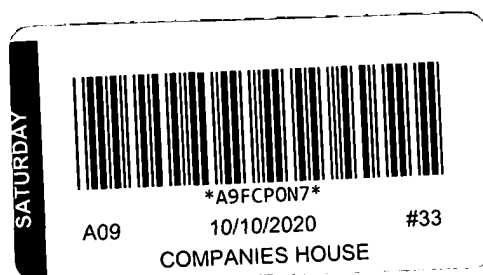


Report of the Directors and
Financial Statements for the Period 11 October 2018 to 31 December 2019
for
Simple Power Holdco Limited



Simple Power Holdco Limited
Contents of the Financial Statements
for the Period 11 October 2018 to 31 December 2019

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Simple Power Holdco Limited

Company Information
for the Period 11 October 2018 to 31 December 2019

DIRECTORS:

M Hammond
J C Steven

REGISTERED OFFICE:

C/O Foresight Group LLP The Shard
32 London Bridge Street
London
SE1 9SG

REGISTERED NUMBER:

11617457 (England and Wales)

INDEPENDENT AUDITORS:

PricewaterhouseCoopers LLP
5th and 6th Floors Central Square South
Newcastle Upon Tyne
Tyne and Wear
NE1 3AZ

Simple Power Holdco Limited

Report of the Directors for the Period 11 October 2018 to 31 December 2019

The directors present their report with the financial statements of the company for the period 11 October 2018 to 31 December 2019.

INCORPORATION

The company was incorporated on 11 October 2018.

PRINCIPAL ACTIVITIES

The principal activity of the company in the period under review was that of an investment company.

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors who have held office during the period from 11 October 2018 to the date of this report are as follows:

M Hammond - appointed 18 December 2018

J C Steven - appointed 29 November 2019

H A Unwin - appointed 11 October 2018 - resigned 17 December 2018

J M Taggart - appointed 6 November 2018 - resigned 27 March 2019

Mrs M Patel - appointed 11 October 2018 - resigned 18 December 2018

C L Bourne - appointed 17 December 2018 - resigned 29 November 2019

Both the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom 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 accounting estimates that are reasonable and prudent;

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.

Simple Power Holdco Limited

Report of the Directors
for the Period 11 October 2018 to 31 December 2019

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

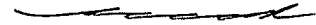
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, were appointed during the year and will be re-appointed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies. The financial statements on pages 7 to 16 were approved by the Board of Directors on 8th October 2020

ON BEHALF OF THE BOARD:



.....
M Hammond - Director

Date: 8th October 2020

Independent auditors' report to the members of Simple Power Holdco Limited

Report on the audit of the financial statements

Opinion

In our opinion, Simple Power Holdco Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit and cash flows for the 15 month period (the "period") then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report of the directors and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the 15 month period then ended; the accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the period ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

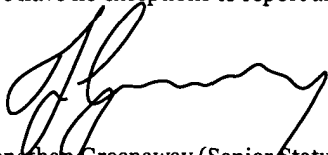
Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Jonathan Greenaway (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
2 September 2020

Simple Power Holdco Limited

Statement of Comprehensive Income
for the Period 11 October 2018 to 31 December 2019

	Notes	£
TURNOVER		-
Administrative expenses		<u>(5,500)</u>
OPERATING LOSS		(5,500)
Gain/loss on revaluation of investments		<u>6,221,571</u>
PROFIT BEFORE TAXATION		6,216,071
Tax on profit	5	<u>-</u>
PROFIT FOR THE FINANCIAL PERIOD		<u><u>6,216,071</u></u>

The notes form part of these financial statements

Statement of Financial Position
31 December 2019

	Notes	£
FIXED ASSETS		
Investments	6	7,031,571
CREDITORS		
Amounts falling due within one year	7	<u>(5,500)</u>
NET CURRENT LIABILITIES		<u>(5,500)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,026,071</u>
CAPITAL AND RESERVES		
Called up share capital	9	810,000
Retained earnings	10	<u>6,216,071</u>
SHAREHOLDERS' FUNDS		<u>7,026,071</u>

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

The financial statements were approved by the Board of Directors on 8th October 2020
and were signed on its behalf by:


.....
M Hammond - Director

Simple Power Holdco Limited

Statement of Changes in Equity
for the Period 11 October 2018 to 31 December 2019

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	810,000	-	810,000
Total comprehensive income	<u>-</u>	<u>6,216,071</u>	<u>6,216,071</u>
Balance at 31 December 2019	<u>810,000</u>	<u>6,216,071</u>	<u>7,026,071</u>

The notes form part of these financial statements

Simple Power Holdco Limited

Statement of Cash Flows
for the Period 11 October 2018 to 31 December 2019

	Notes	£
Cash flows from operating activities		
Cash generated from operations	1	<u>-</u>
		<u>-</u>
Cash flows from investing activities		
Purchase of fixed asset investments		<u>(810,000)</u>
Net cash from investing activities		<u>(810,000)</u>
Cash flows from financing activities		
Share issue		<u>810,000</u>
Net cash from financing activities		<u>810,000</u>
		<u>-</u>
Increase in cash and cash equivalents		-
Cash and cash equivalents at beginning of period		-
		<u>-</u>
Cash and cash equivalents at end of period		<u>-</u>

The notes form part of these financial statements

Simple Power Holdco Limited

Notes to the Statement of Cash Flows
for the Period 11 October 2018 to 31 December 2019

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	£
Profit before taxation	6,216,071
Gain on revaluation of fixed assets	<u>(6,221,571)</u>
	(5,500)
Increase in trade and other creditors	<u>5,500</u>
Cash generated from operations	<u><u>-</u></u>

The notes form part of these financial statements

1. STATUTORY INFORMATION

Simple Power Holdco Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and on a going concern basis. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assets held at fair value through profit or loss - investments

All investments held by the Company are valued at "fair value through profit or loss". Fair value is calculated in accordance with the International Private Equity and Venture Capital Valuation ("IPEVCV") guidelines, as updated in December 2015. This classification is followed, as the Fund's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income. The amount of any impairment loss is measured as the difference between the asset's carrying amount and the expected recoverable amount. The carrying amount of the asset would be reduced and the amount of the loss recognised in the Statement of Comprehensive Profit & Loss.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the period ended 31 December 2019.

The average number of employees during the period was NIL.

4. LOSS BEFORE INCOME TAX

Fees payable to the company's auditors for the audit of the company's financial statements

£

5,500

The loss before income tax is stated after charging the above audit fee.

Notes to the Financial Statements - continued
for the Period 11 October 2018 to 31 December 2019

5. TAX ON PROFIT

Analysis of tax expense

No liability to UK corporation tax arose for the period ended 31 December 2019.

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST OR VALUATION	
Additions	810,000
Revaluations	<u>6,221,571</u>
At 31 December 2019	<u>7,031,571</u>
NET BOOK VALUE	
At 31 December 2019	<u>7,031,571</u>

As at 31 December 2019	Type	Total Committed	Current Cost	Fair Value
Simple Power Finco Limited	Shares	810,000	810,000	7,031,571

The Company owns 100% of the share capital in Simple Power Finco Limited. The registered address of the above entity is The Shard, 32 London Bridge Street, London, SE1 9SG.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other creditors	£ <u>5,500</u>
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8. FINANCIAL INSTRUMENTS

	31.12.19 £
Financial assets	
Financial assets measured at fair value through the statement of comprehensive income	7,031,571
Financial assets held at amortised cost	-
	7,031,571
Financial liabilities	
Financial liabilities held at amortised cost	-

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	£
Number:	Class:		
810,000	Ordinary 'A' Shares	1	<u>810,000</u>

10. RESERVES

	Retained earnings £
Profit for the period	<u>6,216,071</u>
At 31 December 2019	<u>6,216,071</u>

11. POST BALANCE SHEET EVENTS

In early 2020, the existence of a new coronavirus, now known as COVID-19, was confirmed and since this time COVID-19 has spread across the United Kingdom and a significant number of other countries. COVID-19 has caused disruption to businesses and economic activity. The Directors consider the emergence and spread of COVID-19 to be a non-adjusting post balance sheet event. As part of the company's ongoing review of going concern, the directors have reviewed the company's position in detail, including the impact of the recent outbreak of COVID-19 on the company's performance and no issues have been noted in respect of continued funding or the company's ability to continue as a going concern.

12. ULTIMATE CONTROLLING PARTY

The Company is 100% owned by the Royal Bank of Scotland Group Pension Fund ("the Fund"). No beneficiaries of the Fund own, either individually or collectively, more than 10% of the Fund assets. The Fund is incorporated in the United Kingdom.

13. NEW AND AMENDED STANDARDS ADOPTED BY THE COMPANY

The company has applied the following standards and amendments for the their annual reporting year commencing 1 January 2019:

- IFRS 9 - Financial Instruments
 - IFRS 15 - Revenue from Contracts with Customers
 - Amendments to IFRS2 - Classification and Measurement of Share-based payment Transactions
 - Annual Improvements to IFRS Standards 2014-2016 cycle
 - Amendments to IAS40 - Transfers to Investment Property
 - IFRIC 22 - Foreign Currency Transactions and Advance Consideration
- The company also elected to adopt the following amendments early:
- Annual Improvements to IFRS Standards 2015-2017 cycle

The company has adopted the new standards IFRS 9 and IFRS 15 on a full retrospective basis. The adoption of IFRS 9 and IFRS 15 has not had any material impact on the company's financial position or statement of comprehensive income in the current or prior year and accordingly no material judgements have been made on transition nor have any amounts been restated in the financial statements with respect of the current or prior year.

The company has no elements of revenue that include a significant financing component as all revenue accrues in under 1 year. As such the practical expedient under IFRS15 (para129) has been applied.

All costs of acquiring a contract have been included as an expense as any amortisation year of this asset would be under 1 year. As such the practical expedient under IFRS15 (para130) has been applied.

14. STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The following IFRSs, IASs and IFRS IC interpretations and amendments have been issued but have not been early adopted by the company:

Effective from 1 January 2019:

- IFRS 3 - Business Combinations - Annual Improvements 2015 -17 Cycle
- IFRS 9 - Financial Instruments - Amendments to prepayment features with negative compensation and modifications of financial liabilities
- IFRS 11 - Joint Arrangements - Annual Improvements 2015 -17 Cycle
- IAS 12 - Income Taxes - Annual Improvements 2015 -17 Cycle
- IFRS 16 - 'Leases' will be effective for the year ending 31 December 19. As such, the company has not yet undertaken an impact assessment, and will do so in the coming year.
- IAS 19 - Employee Benefits - Amendments to plan amendments, curtailments and settlements
- IFRIC 2 - Uncertainty over Income Tax Treatments - Clarification of the accounting for uncertainties in income taxes
- IAS 23 - Borrowing Costs - Annual Improvements 2015 -17 Cycle
- IAS 28 - Investments in Associates and Joint Ventures - Amendments to Long-term interest in associates and joint ventures

Effective from 1 January 2020:

- IAS 1 - Presentation of Financial Statements - Amendments to the definition of material
- IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - Amendments to the definition of material
- IFRS 3 - Business Combinations - Amendments to clarify the definition of a business

Effective from 1 January 2021:

- IFRS 17 - Insurance contracts

Deferred until further notice:

- IFRS 10 - Consolidated Financial Statements - Amendments to the sale or contribution of assets between an investor and its associate or joint venture

The adoption of the above standards and amendments, with the exception of IFRS 16 are not expected to have a material impact on the company's financial statements.