

GRIDSERVE HOLDINGS LIMITED

Group annual report and financial statements

Year ended 31 December 2020



GRIDSERVE HOLDINGS LIMITED

GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2020

CONTENTS	Page
Officers and professional advisers to the members of GRIDSERVE Holdings Limited	1
Directors' report	2
Independent auditor's report	6
Consolidated statement of comprehensive income	9
Consolidated balance sheet	10
Company balance sheet	11
Consolidated statement of changes in equity	12
Company statement of changes in equity	13
Notes to the financial statements	14

GRIDSERVE HOLDINGS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS TO THE MEMBERS OF GRIDSERVE HOLDINGS LIMITED
Year ended 31 December 2020

DIRECTORS

Toddington Harper
Jeremy Cross
Heston Harper

REGISTERED OFFICE

Thorney Weir House
Thorney Mill Lane
Iver
SL0 9AQ

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
40 Clarendon Road,
Watford,
Hertfordshire
WD17 1JJ

GRIDSERVE HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

Year ended 31 December 2020

The Directors present their report and the consolidated audited financial statements for GRIDSERVE Holdings Limited (the "Company") for the financial year ended 31 December 2020.

The Directors' report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime under section 414B of the Companies Act 2006 and so does not include a strategic report.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of a holding company.

The subsidiary undertakings principally affecting the profits or net assets of the Group in the year are listed in note 11 to the financial statements.

The Group's purpose is to deliver sustainable energy and move the needle on climate change.

The Group's principal activities are developing, engineering, procuring, constructing, operating, maintaining, managing, and owning sustainable energy solutions for critical power infrastructure.

In the year, the Group designed and built hybrid solar and energy storage projects in the UK.

The Group also made strong progress in developing and engineering a UK-wide network of Electric Forecourts® for charging all types of electric vehicles with sustainable energy, which is planned to be built out over the next 5-years. During the year, the Group successfully opened the world's first Electric Forecourt® in Braintree, in Essex.

The Group also made excellent progress in developing remote power solutions that will deliver dependable, low cost, clean energy for critical power infrastructure applications in remote locations.

The Group also continues to invest in research and development activities to deliver continuous improvement in the delivery of all products and services.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's principal risks and uncertainties are:

- Foreign exchange rate fluctuations related to uncertainties surrounding Brexit
- Supply chain issues and costs related to uncertainties surrounding Brexit
- Completing projects on time and on budget
- Delivering sustainable project economics in a post subsidy era
- The recruitment of high-quality employees

The Group continues to address these risks through:

- Hedging exchanging rates at the commencement of project contracts
- Contracting with the credit worthy supply chain partners and agreeing fixed price contracts
- Working with an experienced team to deliver projects on time with exclusions in contracts for risks outside of the ability of the Company to control
- Focussing on critical power infrastructure projects that have a strong inherent business case and do not require artificial subsidies to make the business case work
- Putting our people first to ensure maximum staff retention

FINANCIAL RESULTS AND DIVIDENDS

The results for the financial year are set out on page 9. The Group made a gain on disposal of a wholly owned subsidiary of £4,168,170 (2019: £9,166,698).

The Directors do not recommend the payment of a dividend (2019: nil).

FUTURE DEVELOPMENTS

The Group will continue to consider its options in seeking new investment and to provide further capital for asset development. The Group aims to increase its portfolio of Electric Forecourts®, continue to develop and build Solar Hybrid assets and expand its EV leasing business.

GRIDSERVE HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) **Year ended 31 December 2020**

DIRECTORS

The Directors who held office during the year and up to the date of signing the financial statements are given below:

Toddington Harper
Jeremy Cross
Heston Harper
Darren Cruickshank (*appointed 22 March 2021*)
Alan McCarthy-Wyper (*appointed 22 March 2021*)
Jeremy Stokes (*appointed 22 March 2021*)

FINANCIAL RISK MANAGEMENT

The Group has established a risk and financial management framework whose primary objectives are to protect the Group from events that hinder the achievement of the Group's performance objectives.

The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a business unit level.

Exposure to credit, liquidity and cash flow risk

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It is Group policy to assess the credit risk of new customers before entering contracts. Such credit ratings are taken into account by local business practices. Each new customer is analysed individually for creditworthiness before the Company's standard payment terms and conditions are offered.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted.

Foreign exchange risk

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

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Board receives cash flow projections on a monthly basis as well as information regarding cash balances. At the end of the financial year, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

POST BALANCE SHEET EVENTS

On 12 March 2021, the GRIDSERVE Group announced a major collaboration with Ecotricity to upgrade the Electric Highway, Europe's first nationwide charging network. Under the terms of the collaboration, GRIDSERVE has acquired a 25% stake in the Electric Highway Company Limited, for consideration of £20,000,000.

On 12 March 2021, a fixed and floating charge covering all property and undertakings of GRIDSERVE HC, a fully owned subsidiary, was registered in relation to the facilities provided by Hitachi Capital (UK) Plc.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

GRIDSERVE HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) **Year ended 31 December 2020**

RESEARCH AND DEVELOPMENT

Research and development activities continue to be a high priority with the development of new technological excellence central to the asset optimisation of each new site that is developed and constructed.

EMPLOYEES

The Group is committed to employment policies which follow best practice based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The Group gives full and fair consideration to applications for employment for disabled persons, having regard to their particular aptitudes and abilities.

Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the Group. If members of staff become disabled the Group continues employment, either in the same or an alternative position, with appropriate retraining being given, or workplace adjustment made, if necessary.

The Group systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the Group is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the Group plays a major role in maintaining its continued success.

During the year, the Company had to make use of the Government's Coronavirus Job Retention Scheme ("furlough scheme") in relation to 5 of its employees for a period of 5 months. At the year-end date, the Company was not making use of the scheme in relation to any employees.

GOING CONCERN

The Group's business activities together with the factors likely to affect its future development, performance and position are set out on page 2.

The Financial Statements have been prepared on a going concern basis. The Group has successfully converted previous debt funding to equity and has secured ongoing funding for its projects in the current year. As such, the Directors consider that the Group has sufficient funds to undertake its operating activities for a period of at least the next 12 months. The Group has cash reserves which are considered sufficient by the Directors to fund the Group's operations.

The uncertainty as to the ongoing impact of the Covid-19 pandemic has been considered as part of the Group's adoption of the going concern basis. The Directors have considered the financial implications of business disruption as a result of any potential Covid-19 outbreak in each of its operational assets and, in these scenarios, the Group has both sufficient working capital to continue its operations and support from its bankers that will enable it to meet its obligations under its existing banking facilities.

As a result of considerations noted above, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these Financial Statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and company 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", 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 group and company and of the profit or loss of the group and company for that period. In preparing the financial statements, the directors are required to:

GRIDSERVE HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) **Year ended 31 December 2020**

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

The directors are also responsible for safeguarding the assets of the group and 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 group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and company's auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

On behalf of the Board



Jeremy Cross

Director

14 May 2021

Independent auditors' report to the members of GRIDSERVE Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, GRIDSERVE Holdings Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2020 and of the group's loss for the year then ended;
- have been properly prepared 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", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Group annual report and financial statements (the "Annual Report"), which comprise: Consolidated Balance Sheet and Company Balance Sheet as at 31 December 2020; Consolidated Statement Of Comprehensive Income, Consolidated Statement Of Changes In Equity and Company Statement Of Changes In Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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 group 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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2020 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 group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

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 in respect of the Financial Statements, 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 group's and 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 group or 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to environmental regulations, the Companies Act requirements and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated

GRIDSERVE HOLDINGS LIMITED

management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent manipulation of the financial statements including posting inappropriate journal entries. Audit procedures performed by the engagement team included:

- Discussions with Management and Directors, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Evaluation of management's controls designed to prevent and detect irregularities by performing walkthroughs over controls to understand the controls. However, we have not relied on controls as substantive procedures are determined to be more effective for this audit.
- Challenging assumptions and judgements made by Management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.
- Perform unpredictable procedures to address the risk of fraud

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

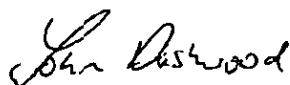
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained 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 company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



John Dashwood (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
14 May 2021

GRIDSERVE HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2020

	Note	2020 £	2019 £
Turnover	5	879,593	24,317
Cost of sales		(616,689)	(30,069)
Gross profit/(loss)		262,904	(5,752)
Administrative expenses		(8,120,026)	(4,925,630)
Other operating income	6	4,850,023	314,041
Operating loss		(3,007,099)	(4,617,341)
Gain on disposal of subsidiary	8	4,168,170	9,166,698
Interest payable and similar expenses	7	(3,347,898)	(4,280,184)
(Loss)/profit before taxation	6	(2,186,827)	269,173
Tax credit on (loss)/profit	9	209,292	200,000
(Loss)/profit for the financial year		(1,977,535)	469,173
<i>Other comprehensive income/(expense)</i>			
Currency translation differences arising on consolidation		6,947	(10,392)
Total comprehensive (expense)/income for the year		(1,970,588)	458,781

All results derive from continuing operations.

The notes on pages 14 to 28 form an integral part of the financial statements.


GRIDSERVE HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET
As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	12	1,150,195	-
Tangible assets	13	18,883,405	36,232
		20,033,600	36,232
Current assets			
Stocks	14	7,258,323	14,998,807
Debtors	15	2,911,004	6,059,520
Cash at bank and in hand		9,372,016	7,203,098
		19,541,342	28,261,425
Creditors: amounts falling due within one year	16	(8,365,551)	(31,334,287)
Net current assets/(liabilities)		11,175,791	(3,082,862)
Total assets less current liabilities		31,209,391	(3,046,630)
Creditors: amounts falling due after more than one year	17	(19,447,081)	-
Provisions	26	(76,719)	
Net assets/(liabilities)		11,685,591	(3,046,630)
Capital and reserves			
Called up share capital	20	1,273	800
Share premium account	23	16,702,336	-
Foreign currency translation reserve	23	(28,828)	(35,775)
Profit and loss account	23	(4,989,190)	(3,011,655)
Total shareholders' funds/(deficit)		11,685,591	(3,046,630)

The financial statements on pages 9 to 28 of GRIDSERVE Holdings Limited, registered number 10985636, were approved by the Directors and authorised for issue on 14 May 2021. The notes on pages 14 to 28 form an integral part of the financial statements.

Date: 14 May 2021



Jeremy Cross
Director

GRIDSERVE HOLDINGS LIMITED

COMPANY BALANCE SHEET
As at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	11	2	2
		2	2
Current assets			
Debtors	15	16,703,594	800
		16,703,594	800
Creditors: amounts falling due within one year	16	-	(15)
Net current assets		16,703,596	785
Total assets less current liabilities		16,703,596	787
Net assets		16,703,596	787
Capital and reserves			
Called up share capital	17	1,273	800
Share premium		16,702,336	
Profit and loss account		(13)	(13)
Total shareholders' funds		16,703,596	787

There result for the year was nil (2019: £nil)

The financial statements on pages 9 to 28 of GRIDSERVE Holdings Limited, registered number 10985636, were approved by the Directors and authorised for issue on 14 May 2021. The notes on pages 14 to 28 form an integral part of the financial statements.

Date: 14 May 2021



Jeremy Cross
Director

GRIDSERVE HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2020

	Share capital £	Share premium	Profit and loss account £	Other reserves £	Total equity £
Balance at 1 January 2020	800	-	(3,011,655)	(35,775)	(3,046,630)
Total comprehensive expense for the year					
Loss for the year	-	-	(1,977,535)	-	(1,977,535)
Foreign exchange movements on overseas subsidiaries	-	-	-	6,947	6,947
Total comprehensive expense for the year	-	-	(1,977,535)	6,947	(1,970,588)
Transactions with owners, recorded directly in equity					
Conversion of debt to equity (note 20)	250	9,999,750	-	-	10,000,000
Conversion of loan notes (note 20)	223	6,702,586	-	-	6,702,809
Total contributions by owners	473	16,702,336	-	-	16,702,809
Balance at 31 December 2020	1,273	16,702,336	(4,989,190)	(28,828)	11,685,591

	Share capital £	Profit and loss account £	Other reserves £	Total equity £
Balance at 1 January 2019	800	(3,480,828)	(25,383)	(3,505,411)
Total comprehensive income for the year				
Profit for the year	-	469,173	-	469,173
Foreign exchange movements on overseas subsidiaries	-	-	(10,392)	(10,392)
Total comprehensive income for the year	-	469,173	(10,392)	458,781
Transactions with owners, recorded directly in equity				
Issue of shares	-	-	-	-
Total contributions by owners	-	-	-	-
Balance at 31 December 2019	800	(3,011,655)	(35,775)	(3,046,630)

The notes on pages 14 to 28 form an integral part of the financial statements.

GRIDSERVE HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2020

	Share capital £	Share premium	Profit and loss account £	Total equity £
Balance at 1 January 2020	800	-	(13)	787
Total comprehensive income for the year				
Result for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Transactions with owners, recorded directly in equity				
Conversion of debt to equity (note 20)	250	9,999,750	-	10,000,000
Conversion of loan notes (note 20)	223	6,702,586	-	6,702,809
Total contributions by owners	473	16,702,336	-	16,702,809
Balance at 31 December 2020	1,273	16,702,336	(13)	16,703,596

	Share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2019	800	(13)	787
Total comprehensive income for the year			
Result for the year	-	-	-
Total comprehensive income for the year	-	-	-
Transactions with owners, recorded directly in equity			
Issue of shares	-	-	-
Total contributions by owners	-	-	-
Balance at 31 December 2019	800	(13)	787

The notes on pages 14 to 28 form an integral part of the financial statements.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

1. GENERAL INFORMATION

GRIDSERVE Holdings Limited (the "Company") is a private Company limited by shares incorporated in England under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors report on page 2.

2. STATEMENT OF COMPLIANCE

The Group financial statements and the individual Company financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with FRS 102.

The functional currency of GRIDSERVE Holdings Limited is pounds sterling, being the currency of the primary economic environment in which the Company operates. The consolidated financial statements are also presented in pounds sterling.

The FRC has carried out its first triennial review of the UK accounting standards. In December 2017, incremental Improvements and clarifications to FRS 102 were published, together with amendments to the other accounting standards with the changes being effective for the periods beginning on or after 1 January 2019. The main changes expand the definition of a basic financial instrument so that more instruments can be measured at amortised cost, permit Investment property rented to a group entity to be measured based on cost (rather than fair value) and require fewer intangible assets to be separated from goodwill in a business combination. The changes also simplify the measurement of directors' loans to small entities, following the interim relief granted earlier this year. The directors believe that the above changes do not have a material impact on these financial statements.

GRIDSERVE Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside these consolidated financial statements. As such, no entity profit and loss accounts has been presented as permitted under section 408 of the Companies Act 2006. Exemptions have also been taken in relation to presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel in respect of its separate financial statements.

Basis of consolidation

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

Business combinations are accounted for under the purchase method. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

This Company is the only Company in the GRIDSERVE Group to prepare consolidated financial statements. These are available to the public at the Company's registered office.

Going concern

The Group's business activities together with the factors likely to affect its future development, performance and position are set out in the Directors Report on page 2.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Going concern (continued)

The Financial Statements have been prepared on a going concern basis. The Group has successfully converted previous debt funding to equity and has secured ongoing funding for its projects in the current year. As such, the Directors consider that the Group has sufficient funds to undertake its operating activities for a period of at least the next 12 months. The Group has cash reserves which are considered sufficient by the Directors to fund the Group's operations.

The uncertainty as to the ongoing impact of the Covid-19 pandemic has been considered as part of the Group's adoption of the going concern basis. The Directors have considered the financial implications of business disruption as a result of any potential Covid-19 outbreak in each of its operational assets and, in these scenarios, the Group has both sufficient working capital to continue its operations and support from its bankers that will enable it to meet its obligations under its existing banking facilities.

As a result of considerations noted above, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these Financial Statements.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Construction contracts

For contract revenues to be recognised, a buyer must be identified and be committed to complete the purchase of the project under construction such that the risks and rewards associated with the sale have passed to the Buyer. When the outcome of a construction contract can be estimated reliably, the Company recognises contract revenue and contract costs associated with the construction contract as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period. Stage of completion of the contract is determined by the percentage of the build completed.

Services

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

- The amount of the revenue can be measured reliably
- It is probable that the Group will receive the consideration due under the contract

Electricity generation

Turnover from projects that have reached operational stage consists of the sale of renewable energy to a counterparty, as well as any associated revenues. Turnover is recognised at the point where the ownership of the energy passes to the counterparty and is based on units generated during the year.

Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with any conditions attached to the grant, and that the grant will be received. Any grants received prior to the recognition criteria being met are recognised as a liability.

Grants relating to expenditure or the cost of an asset are recognised on a systematic basis over the periods in which the related costs for which the grant is intended to compensate are recognised.

The grant income relating to the Government's CJRS "Job retention scheme" have been immediately recognised in the profit & loss when received.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and depreciation

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation and residual values

Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line
Plant and machinery	-	4% - 20% straight line

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Depreciation relating to revenue-generating assets is included within cost of sales.

Intangible fixed assets and amortisation

Goodwill

Goodwill is recognised on business combinations that meet the criteria laid out in FRS 102, Section 19. The goodwill recognised is the excess of the cost of the business combination over the Group's interest in the net amount of identifiable assets, liabilities and contingent liabilities recognised.

After recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. The amortisation period of goodwill is deemed to be the remaining useful economic life of the entity acquired. In exceptional cases, where the Group is unable to make a reliable estimate of the useful life of goodwill, the life will be capped at 10 years.

Computer Software

Computer software is stated at cost (or deemed cost) less accumulated amortisation and accumulated impairment losses.

Computer software is amortised over a useful economic life of 5 years (20% straight-line).

Investment in subsidiary undertakings

Investments in subsidiary undertakings are shown at cost less any provision for impairment.

Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Finance leases

Leases that transfer substantially all of the risks and rewards of ownership and meet the criteria laid out in FRS 102 paragraph 20.5 are classified as finance leases. The rights of use and obligations under the finance lease are recognised at inception of the lease at amounts equal to the fair value of the asset or, if lower, the present value of the minimum lease payments, calculated using the interest rate implicit in the lease.

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **Year ended 31 December 2020**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses 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 except for certain exceptions. 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.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

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

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets are initially measured at fair value, which is normally the transaction price.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **Year ended 31 December 2020**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow Group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan and are capitalised as a pre-payment and amortised over the period of the facility to which it relates.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements 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 to liability simultaneously.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

Dividends and other distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the statement of changes in equity.

Stocks

Stocks comprises only of work in progress of development and construction assets. Work in progress is valued at the lower of cost and net realisable value. At each balance sheet date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Grants

Grants are recognised only when there is reasonable assurance that the company will comply with any conditions attached to the grant and the grant will be received. The grant is recognised as income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

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.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the year in which the service is received.

Defined contribution pension plans

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Interest payable and similar charges

Interest payable is recognised in the profit and loss account in the period in which they are incurred.

Decommissioning Provisions

Decommissioning provisions are recognised when the Group has an obligation at the reporting date as a result of a past event that can be measured reliably, and it is probable that the Group will be required to settle the obligation. Decommissioning provisions are recognised at the present value of Management's best estimate of the likely cost of decommissioning the site. Decommissioning provisions are reviewed at each reporting date and adjusted to reflect the current best estimate amount at that time.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying the entity's accounting policies

The Directors have applied the following critical judgements in applying the Group's accounting policies.

Going concern

The going concern basis has been selected in the preparation of the financial statements. Please see note 3 for further details.

Substantial shareholding exemption ("SSE")

The SSE exemption has been applied to the gain on disposal of subsidiary undertakings in the year. The Directors' have received appropriate tax opinion on this matter and believe that the exemption has been appropriately received

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2020

4 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONTINUED)

Critical accounting estimates and assumptions (continued)

Impairment of stocks

The Company makes an estimate of the recoverable value of work in progress. When assessing work in progress for impairment, management considers the likelihood of the commercial development of the site being developed and only recognises items that will realise sales value equal to or above cost.

Research and development tax credit

The Company makes an estimate of eligible research and development expenditures that have been incurred and for which enhanced tax relief can be claimed. The Company has appointed a specialist tax advisor to provide an independent assessment of the claim to ensure it is prudent.

Recoverability of other debtors

Other debtors principally comprise deferred consideration for the sale of the Company's wholly owned subsidiary in the year (see note 8 for further details). The Directors' are comfortable that all conditions precedent to release of the debtor obligation will be met.

Key source of estimation uncertainty

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

5. TURNOVER

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

6. (LOSS)/PROFIT BEFORE TAXATION

	2020 £	2019 £
(Loss)/profit before taxation is stated after charging:		
Depreciation of tangible fixed assets	268,653	17,375
Amortisation of intangible fixed assets	52,465	-
Auditors' remuneration – audit fee: audit of the financial statements	70,500	81,400
Auditors' remuneration – grant claim: audit related assurance services	16,525	4,870
Auditors' remuneration – financial due diligence services	25,000	-
Auditors' remuneration – tax compliance fees	10,000	16,800
Auditors' remuneration – tax advisory	60,100	-
Auditors' remuneration – other services	62,025	-
Operating lease rentals – land and buildings	108,000	144,000

Included within the (loss)/profit before taxation is other operating income of £4,850,023 (2019: £314,041) relating to grant income for eligible expenditures incurred in the year. There are no unfulfilled conditions and other contingencies attaching to grants that have been recognised in income and no other forms of Government assistance from which the Company has directly benefited. Operating lease rentals relate to the head office lease and have no long-term commitment with only a monthly rolling term.

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020 £	2019 £
Bank interest	2,624,611	2,387,345
Other interest	87,894	40,359
Amortisation of finance cost	-	1,408,538

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2020

Interest on loan notes	635,393	443,942
	3,347,898	4,280,184

8. GAIN ON DISPOSAL OF SUBSIDIARY

On 29 October 2020, GRIDSERVE WBC Limited, a wholly owned subsidiary, disposed of its 100% interest in a wholly owned subsidiary, Energy Store 4 Limited for a net consideration of £939,608. The net liabilities of the subsidiary on a consolidated basis on the disposal date were £3,228,562. The net gain on disposal was £4,168,170.

On 19th December 2019, the Company disposed of its wholly owned subsidiary, Energy Store 6 Limited for a consideration of £40,100,000. The net assets of the subsidiary on a consolidated basis on the disposal date were £30,933,302.

9. TAX ON (LOSS)/PROFIT

(a) Analysis of the tax credit in the year

	2020 £	2019 £
Current tax:		
United Kingdom corporation tax	-	(200,000)
Adjustments in respect of prior periods	(209,292)	-
Tax on profit	(209,292)	(200,000)

(b) Factors affecting the tax credit for the year

The total tax credit for the year can be reconciled to the accounting loss (2019: profit) as follows:

	2020 £	2019 £
Profit/(loss) before taxation	(2,186,827)	269,173
Profit/(loss) before taxation multiplied by standard rate of UK corporation tax of 19.00% (2019: 19.00%)	(415,497)	51,143
Effects of:		
Adjustments in respect of prior periods	(209,292)	-
Fixed asset differences	(180,888)	(3,048)
Income not taxable for tax purposes	(394,027)	(494,637)
Expenses not deductible for tax purposes	153,816	-
Research and development credit	-	(200,000)
Other movements	-	319,241
Group relief	-	3,280
Losses carried forward	836,596	124,021
Total tax	(209,292)	(200,000)

(c) Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2020

10. STAFF COSTS

Number of employees

The average monthly number of employees (including Directors) during the year was:

	2020 Number	2019 Number
Management and operations	53	29

Employment costs

	2020 £	2019 £
Wages and salaries	4,422,524	3,358,271
Social security costs	491,917	273,553
Other pension costs	154,474	92,812
	5,068,915	3,724,636

Directors

The Directors' emoluments were as follows

	2020 £	2019 £
Aggregate emoluments	611,384	743,489
	611,384	743,489

The emoluments of the highest paid Director were £240,600 (2019: £279,022) and included pension contributions of £11,000 (2019: £16,856).

Key management compensation

Key management includes the Directors (excluding non-executive Directors) and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2020 £	2019 £
Salaries and other short-term benefits	954,291	830,426
Post-employment benefits	36,615	27,397
	990,906	857,823

11. INVESTMENTS

	2020 £	2019 £
Cost and net book value		
At 1 January and 31 December	2	2

The company has the following investments in subsidiary undertakings. No other investments are held. The Directors believe that the carrying value of the investment is supported by its underlying net assets. All companies are owned indirectly other than GRIDSERVE Sustainable Energy Limited.

The registered office of each of the subsidiaries is Thorney Weir House, Thorney Mill Lane, Iver, Buckinghamshire, SL0 9AQ.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2020

11. INVESTMENTS (CONTINUED)

Name	Holding 2020	Holding 2019	Country	Nature of business
GRIDSERVE Sustainable Energy Limited	100%	100%	England	Holding company
GRIDSERVE Estates Limited	100%	100%	England	Holding company
GRIDSERVE EMEA Limited	100%	100%	England	Holding company
GRIDSERVE EMEA DEPC Limited	100%	100%	England	E&C
GRIDSERVE WBC Limited	100%	100%	England	Holding company
GRIDSERVE EMEA OMM Limited	100%	100%	England	Holding company
GRIDSERVE UK OMM Limited	100%	100%	England	Mgt. services
GRIDSERVE EMEA Projects Limited	100%	100%	England	Holding company
GRIDSERVE UK Projects Limited	100%	100%	England	Holding company
GRIDSERVE APAC Limited	100%	100%	Hong Kong	Holding company
GRIDSERVE APAC OMM Limited	100%	100%	Hong Kong	Mgt. services
GRIDSERVE APAC Projects Limited	100%	100%	Hong Kong	Holding company
GRIDSERVE APAC DEPC Limited	100%	100%	Hong Kong	E&C
GRIDSERVE BondCo Limited	100%	-	England	Holding company
GRIDSERVE HC Limited	100%	-	England	Holding company
GRIDSERVE EF Limited	100%	-	England	Holding company
Conesby Solar Farm Limited	100%	0%	England	Solar hybrid
Cirencester Solar Farm Limited	100%	0%	England	Solar hybrid
Clayhill Solar Limited	100%	0%	England	Solar hybrid
Hartlepool West Solar Farm Limited	100%	-	England	Solar hybrid
Energy Store 4 Limited	0%	100%	England	Solar hybrid
Minehead Solar Electric Forecourt Limited	100%	100%	England	Dormant
Stevenage Electric Forecourt Limited	100%	100%	England	Dormant
Gateshead Electric Forecourt Limited	100%	100%	England	Dormant
Norwich East Electric Forecourt Limited	100%	100%	England	Dormant
Uckfield Solar Electric Forecourt Limited	100%	100%	England	Dormant
Braintree Electric Forecourt Limited	100%	100%	England	Electric Forecourt*
Warwick South Electric Forecourt Limited	100%	-	England	Dormant
Gatwick Electric Forecourt Limited	100%	-	England	Dormant
Leeds West Electric Forecourt Limited	100%	-	England	Dormant
Yeovil Electric Forecourt Limited	100%	-	England	Dormant
Dover Electric Forecourt Limited	100%	-	England	Dormant
Eton Electric Forecourt Limited	100%	-	England	Dormant
Bromborough Electric Forecourt Limited	100%	-	England	Dormant
Markham Vale Electric Forecourt Limited	100%	-	England	Dormant
Plymouth Centre Electric Forecourt Limited	100%	-	England	Dormant
Bar Hill Electric Forecourt Limited	100%	-	England	Dormant
Blackpool East Solar Farm Limited	100%	-	England	Dormant
Knaresborough Solar Farm Limited	100%	-	England	Dormant
York East Electric Forecourt Limited	100%	-	England	Dormant

Note – E&C entities are engaged in engineering and construction services.

Country identifies the country of incorporation and registration.

All the listed subsidiaries have been included in the consolidation. All dormant subsidiaries are exempt from filing with the registrar individual accounts by virtue of s448a of the Companies Act 2006. All other listed subsidiaries except for GRIDSERVE EMEA DEPC Limited are exempt from audit by virtue of s479a of the Companies Act 2006, as GRIDSERVE Holdings Limited has provided a guarantee under section s478c of the Companies Act 2006, guaranteeing all outstanding liabilities to which the above subsidiaries are subject to as at 31 December 2020, until they are repaid in full. The guarantee is enforceable against the parent undertaking by any person to whom the above subsidiaries are liable in respect of these liabilities.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2020

12. INTANGIBLE ASSETS

	Goodwill	Computer Software	Total
	£	£	£
Cost			
At 1 January 2020	-	-	-
Additions	-	1,115,575	1,115,575
Company acquisition (note 25)	87,085	-	87,085
At 31 December 2020	87,085	1,115,575	1,202,660
Accumulated amortisation			
At 1 January 2020	-	-	-
Charge for the year	1,728	50,737	52,465
At 31 December 2019	1,728	50,737	52,465
Net book value			
At 31 December 2020	85,357	1,064,838	1,150,195
At 31 December 2019	-	-	-

The net book value relating to the Company only was nil (2019: nil).

13. TANGIBLE ASSETS

	Plant and machinery	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
Cost				
At 1 January 2020	-	7,061	61,473	68,534
Additions	11,874,074	18,661	78,358	11,971,093
Company acquisition (note 25)	8,686,697	-	-	8,686,697
At 31 December 2020	20,560,771	25,722	139,831	20,726,324
Accumulated depreciation				
At 1 January 2020	-	2,830	29,472	32,302
Company acquisition (note 25)	1,541,964	-	-	1,541,964
Charge for the year	228,622	4,630	35,401	268,653
At 31 December 2020	1,770,586	7,460	64,873	1,842,919
Net book value				
At 31 December 2020	18,790,185	18,262	74,958	18,883,405
At 31 December 2019	-	4,231	32,001	36,232

The net book value relating to the Company was nil (2019: nil).

14. STOCKS

	Group 2020	Group 2019
	£	£
Work in progress	7,258,323	14,998,807
	7,258,323	14,998,807

The balance relating to the Company was nil (2019: nil)

Stocks relate solely to work in progress for sites that are either in the development or construction stage. There has been no impairment of stock during the year (2019: nil).

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **Year ended 31 December 2020**

15. DEBTORS

	Group 2020	Group 2019	Company 2020	Company 2019
	£	£	£	£
Trade debtors	177,369	29,827	-	-
Amounts owed from group undertakings	-	-	16,702,794	-
Other debtors	2,012,995	4,744,885	-	-
Corporation tax receivable	400,000	400,000	-	-
Prepayments and accrued income	319,840	884,008	-	-
Unpaid share capital	800	800	800	800
	2,911,004	6,059,520	16,703,594	800

Included within other debtors is an amount of £1,598,197 (2019: £1,501,686) relating to deferred consideration receivable from the disposal of subsidiaries in 2019 and 2020. £423,256 (2019: £751,686) of this balance is receivable in more than one year.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020	Group 2019	Company 2020	Company 2019
	£	£	£	£
Bank loans and overdrafts	-	17,572,559	-	-
Trade creditors	2,818,778	1,872,713	-	-
Amounts owed to group undertakings	-	-	-	15
Other taxation and social security	707,787	3,042,085	-	-
Director's loan account	-	541,439	-	-
Convertible loan notes	-	6,067,416	-	-
Other creditors	2,199,949	286,375	-	-
Accruals and deferred income	2,625,527	1,961,700	-	-
Finance lease	13,510	-	-	-
	8,365,551	31,344,287	-	15

Amounts owed to group undertakings have no fixed repayment terms, are repayable on demand and are interest free.

The bank loan was fully repaid in October 2020.

The Director's loan account balance accrues interest at 6.5% and was fully repaid post year end.

The convertible loan notes were exchanged for equity in the Company in the year. See note 20.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2020	Group 2019	Company 2020	Company 2019
	£	£	£	£
Term loan	8,140,349	-	-	-
Revolving credit facility	6,258,317	-	-	-
Business interruption loan	5,000,000	-	-	-
Finance lease	48,415	-	-	-
	19,447,081	-	-	-

During the year, a loan facility was arranged for a total sum of £24,000,000 across a £12,500,000 revolving credit facility ("RCF"), a £7,500,000 term loan and a £5,000,000 business interruption facility.

The Term loan is repayable over a 5-year period and accrues interest at 5.05%.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Year ended 31 December 2020

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

The Revolving Credit Facility ("RCF") is for a term of 240 months from the date of each drawdown and accrues interest at 5.05% of the utilised facility.

18. FINANCIAL INSTRUMENTS

The group has the following financial instruments:

	Note	2020 £	2019 £
Financial assets that are debt instruments measured at amortised cost:			
- Trade debtors	15	177,369	29,827
- Other debtors	15	2,013,795	4,745,685
		2,191,164	4,775,512
Financial liabilities measured at amortised cost:			
- Bank loans and overdrafts	16	-	17,572,559
- Trade creditors	16	2,818,778	1,872,713
- Other loan	17	19,398,666	6,067,416
- Finance lease	17	61,925	-
		22,279,369	25,512,688

19. FINANCE LEASES

The future minimum lease payments are as follows:

	Group 2020 £	Group 2019 £
Not later than one year	16,062	-
Later than one year and not later than five years	57,554	-
Total gross payments	73,616	-
Less: finance charges	(11,691)	-
Carrying amount of liability	61,925	-

The finance lease, relating to portable "office PODs," is for a total sum of £67,552 over a term of 60 months commencing August 2020 and accrues interest at 3.7% per annum.

20. CALLED UP SHARE CAPITAL

Group and Company	2020 Shares	2019 Shares	2020 £	2019 £
Called up, allotted, and not paid – shares of £1	-	800	-	800
Called up, allotted, and not paid – shares of £0.0001	8,000,001	-	800	-
Called up, allotted, and paid – shares of £0.0001	4,734,270	-	473	800

On 30 December 2020, convertible loan notes with a value of £6,702,809 (principal of £5,501,862 and accrued interest of £1,200,947) were converted to 2,234,270 shares of £0.0001 in the Company.

Further, on 30 December 2020, 2,500,000 shares of £0.0001 in the Company were issued for total consideration of £10,000,000 to an existing debt holder in the Company. The £10,000,000 consideration included a £2,000,000 reduction in the revolving credit facility ("RCF") and £1,000,000 reduction in the term loan.

21. RELATED PARTY TRANSACTIONS

The Company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the Group.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2020

21. RELATED PARTY TRANSACTIONS (CONTINUED)

At the year end, a Director's loan account balance of £nil (2019: £541,439) was payable to Toddington Harper. Interest on the loan balance of £1,992 (2019: £33,064) was accrued and expensed during the year.

During the year, Hestod Investments Limited, a company owned by a director, charged rent of £108,000 (2019: £144,000). An amount of £108,000 (2019: £12,000) was due to Hestod Investments Limited.

All related party transactions were carried out at arm's length.

22. RETIREMENT BENEFIT SCHEMES

The Group operates a defined contribution retirement benefits scheme for all qualifying employees. The total expense charged to the income statement in the year ended 31 December 2020 was £154,474 (2019: £92,812).

23. RESERVES

Called up share capital - represents the nominal value of shares that have been issued.

Share premium - represents the excess amount received from investors over the par value of shares issued.

Foreign exchange reserve - represents exchange differences arising from the translation of the financial statements of foreign operations to Pound Sterling.

Profit and loss account - includes all current and prior years retained profits and losses.

24. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

On 12 March 2021, the GRIDSERVE Group announced a major collaboration with Ecotricity to upgrade the Electric Highway, Europe's first nationwide charging network. Under the terms of the collaboration, GRIDSERVE has acquired a 25% stake in the Electric Highway Company Limited, for consideration of £20,000,000.

On 12 March 2021, a fixed and floating charge covering all property and undertakings of GRIDSERVE HC, a fully owned subsidiary, was registered in relation to the facilities provided by Hitachi Capital (UK) Plc.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

25. BUSINESS COMBINATIONS

During the year, three entities were acquired: Conesby Solar Farm Limited, Cirencester Solar Farm Limited and Clayhill Solar Limited, all three being companies incorporated in the UK. Total consideration payable was £3,544,525 (£3,284,021, £178,505 and £81,999 respectively).

Of the three acquisitions, Clayhill Solar Limited, the only project acquired at an operational stage, is within the scope of FR5 102, Section 19 *Business Combinations*.

On 30 July 2020, 100% of the issued share capital of Clayhill Solar Limited was acquired by Gridserve HC Limited, which is a 100% indirect subsidiary of GRIDSERVE Holdings Limited, for total consideration of £81,999.

The fair value of net liabilities acquired amounts to £5,086, resulting in goodwill recognised on acquisition of £87,085.

The goodwill recognised on acquisition has been assessed as having a useful economic life identical to the remaining useful economic life of the underlying project acquired, being 21 years from the date of acquisition. As such, an amortisation charge of £1,728 has been recognised in the year.

GRIDSERVE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) Year ended 31 December 2020

25. BUSINESS COMBINATIONS (CONTINUED)

The assets acquired are as follows:

	2020 £
Property, plant & equipment	7,144,733
Trade debtors	68,692
Other debtors	25,840
Prepayments and accrued income	83,115
Total assets acquired:	7,322,380

The liabilities acquired were as follows:

	2020 £
Amounts owing to group entities	(7,200,000)
Trade creditors	(36,159)
Taxation and social security	(11,449)
Accruals and deferred income	(3,139)
Provisions for liabilities (decommissioning provision)	(76,719)
Total liabilities acquired:	(7,327,466)
Net liabilities acquired:	(5,086)

26. PROVISIONS

<i>Decommissioning provisions</i>	Group £
Brought forward at 1 January 2020	-
Additions as a result of business combinations (see note 25)	(76,719)
Carried forward at 31 December 2020	(76,719)

The provision for liabilities relates entirely to a decommissioning provision recognised in relation to Clayhill Solar Limited, which was acquired during the year (see note 25).

27. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Directors consider that at the date of the signing of the financial statements the ultimate controlling parties are Toddington Harper, Heston Harper and Heather Harper by virtue of their shareholdings in GRIDSERVE Holdings Limited.