

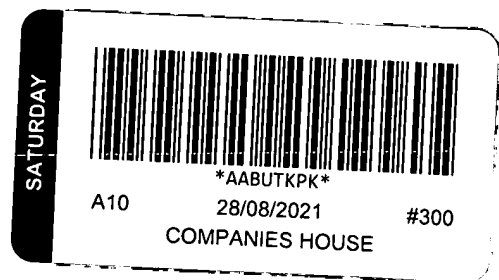


EDF Renewables Solar Limited

Annual report and financial statements

Registered number 11762485

31 December 2020



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Company information

Directors	Hassaan Majid Matthieu Hue
Registered office	Alexander House 1 Mandarin Road Rainton Bridge Business Park Houghton le Spring Sunderland DH4 5RA
Auditor	KPMG LLP 66 Queen Square Bristol BS1 4BE

Strategic report

The Directors present their annual report and financial statements for the year ended 31 December 2020 for EDF Renewables Solar Limited (the "Company"). The comparative period presented is from 11 January 2019 to 31 December 2019.

Business review

The Company constructs and will operate renewable solar-related energy projects in the UK. It was incorporated on 11 January 2019.

The Company is currently installing solar technology for electricity generation at a retailer's store. These are expected to commence operation in 2021.

As the Company is still in the construction phase, nearly all expenditure has been capitalised with the result that the fixed assets of the Company increased. This has been funded by long-term shareholder loans from its immediate parent undertaking, EDF Energy Renewables Limited.

Principal risks and uncertainties

The principal risks to the profitability of the Company are as follows:

Solar irradiance

Lower solar irradiance than anticipated will result in less electricity being generated. The level of solar irradiance will vary across seasons and years. Although the Company does not have any control over solar irradiance it ensures that there are adequate reserves in place to ensure it can withstand significant short term variability in electricity production relating to solar resource.

Covid-19

Covid-19 risks relate to construction costs of the Company. Any additional costs that may be incurred are the result of Covid-19 related delays to the supply of plant, property or equipment or services. These are expected to be short-term in nature and are managed by the Company through its existing processes.

Interest rate risk

The Company has exposure to interest rate fluctuations on its borrowings from its immediate parent undertaking, EDF Energy Renewables Limited. The Company's exposure to interest rate fluctuations on these borrowings is managed by continual reviews of the interest rate exposure and its impact on the forecast profitability of the Company.

Financial risks

The risk is mitigated through engaging with counterparties with sound credit worthiness which is reviewed on a regular basis.

Strategic report (continued)

Principal risks and uncertainties (continued)

Health and Safety

The health and safety of all contractors and the public is a key risk given the nature of the Company's business. To minimise this risk, the Company is committed to creating a culture that views safe working as the only way of working and to reviewing all processes and procedures to ensure it delivers this. Training is provided to ensure the safety of the contractors that are set to work. In addition, a confidential helpline has been set up for the use of anyone within the organisation to help eradicate unsafe practices and safeguard all contractors who work at the wind farm site. The Directors also review health and safety performance at each of its scheduled board meetings.

Business Environment, Performance and Key Performance Indicators

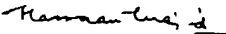
The Directors believe that as the solar renewable energy project is not operational, key performance indicators for the Company are not appropriate for an understanding of the development, performance or position of the business.

There were no major health and safety incidents to report in the year.

Future outlook

The Directors expect that the Company will complete construction of the solar project and commence operations in the forthcoming year.

Approved by the Board on 22 July 2021 and signed on its behalf by:

DocuSigned by:

CEAC4259A7BA443

Hassaan Majid
Director
Alexander House
1 Mandarin Road
Houghton le Spring
Sunderland
DH4 5RA

Directors' report

Principal activities of the Company

The principal activity of the company is the ownership, construction and operation of solar renewable energy projects in the UK.

Results and dividends

The loss for the year, before taxation, amounted to £244,000 (2019: £18,000), and after taxation, amounted to £196,000 (2019: £15,000). The Directors do not recommend the payment of a dividend (2019: £Nil).

Directors of the Company

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

Hassaan Majid

Matthieu Hue

None of the Directors have had a service contract with the Company in the current year.

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

Political contributions

The Company made no political contributions in the year.

Going concern

Notwithstanding net liabilities of £211,000 as at 31 December 2020 and a loss for the year then ended of £196,000, the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides including the impact of Covid-19, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the Company's intermediate parent company, EDF Renewables Limited not seeking repayment of the amounts currently due to the group, which at 31 December 2020 amounted to £5,509,000. EDF Renewables Limited has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Other information

An indication of likely future development in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 2.

Disclosure of information to the auditor

Each of the persons who is a director at the date of approval of this annual report confirms that:

Directors' report


- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has 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 Company's auditor is aware of that information.

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

Auditor

It is noted that KPMG LLP as appointed by the members are deemed to be re-appointed as the auditor to the Company for the financial year ending 31 December 2021 in accordance with the provisions of Section 487(2) of the Companies Act 2006 and that the Directors have been authorised to set the remuneration of the auditor.

Approved by the Board on 22 July 2021 and signed on its behalf by:

DocuSigned by:

CEAC4259A2BA443

Hassaan Majid
Director

Alexander House
1 Mandarin Road
Houghton le Spring
Sunderland
DH4 5RA

Statement of Directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so; and
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

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

Independent auditor's report to the members of EDF Renewables Solar Limited

Opinion

We have audited the financial statements of EDF Renewables Solar Limited (the "Company") for the year ended 31 December 2020, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

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

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

Our conclusions based on this work:

Independent auditor's report to the members of EDF Renewables Solar Limited (continued)

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

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

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes. the financial statements are not in agreement with the accounting records and returns; or
- Considering remuneration incentive schemes and performance targets for management and Directors;
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are limited incentives, rationalizations and/or opportunities to fraudulently adjust revenue recognition. Revenue is relatively simple from one activity of power generation traded under a long term agreement.

We did not identify any additional fraud risks.

We performed procedures including:

Independent auditor's report to the members of EDF Renewables Solar Limited (continued)

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted with unusual account combinations and increasing carrying value of assets.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

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

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

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

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

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

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

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

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

Independent auditor's report to the members of EDF Renewables Solar Limited (continued)

Strategic report and Directors' report

The Directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

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

- we have not identified material misstatements in the Strategic Report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of EDF Renewables Solar Limited (continued)

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

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



James Ledward (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered accountant
66 Queen Square
Bristol
BS1 4BE

..26 July 2021

Profit and loss account and other comprehensive income
for the year ended 31 December 2020

		2020	Period ended 31 December 2019
	Note	£ 000	£ 000
Turnover		-	-
Gross profit/(loss)		-	-
Administrative expenses		<u>(238)</u>	<u>(21)</u>
Operating loss	2, 3, 4	<u>(238)</u>	<u>(21)</u>
Interest receivable and similar income	5	-	3
Interest payable and similar expenses	6	<u>(6)</u>	<u>-</u>
Loss before tax		<u>(244)</u>	<u>(18)</u>
Tax credit on loss	7	<u>48</u>	<u>3</u>
Loss for the year		<u><u>(196)</u></u>	<u><u>(15)</u></u>
Total comprehensive loss for the year		<u><u>(196)</u></u>	<u><u>(15)</u></u>

There was no other comprehensive income for the current year other than that included in the profit and loss account.

All results are derived from continuing operations.

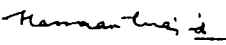
The notes on pages 15 to 24 form part of these financial statements.

Balance sheet
at 31 December 2020

	Note	2020 £ 000	2019 £ 000
Fixed assets			
Tangible assets	8	4,633	2,978
Current assets			
Debtors	9	299	100
Cash at bank and in hand		645	742
		944	842
Creditors: Amounts falling due within one year	10	(331)	(715)
Net current assets		613	127
Total assets less current liabilities		5,246	3,105
Creditors: Amounts falling due after more than one year	11	(5,509)	(3,123)
Provisions for liabilities			
Deferred tax liabilities	13	52	3
Net liabilities		(211)	(15)
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account	14	(211)	(15)
Shareholders' deficit		(211)	(15)

The notes on pages 15 to 24 form part of these financial statements.

The financial statements of EDF Renewables Solar Limited (registered number 11762485) were approved by the Board of Directors on 22 July 2021 and signed on its behalf by:

DocuSigned by:

CEAC4258A2BA443.

Hassaan Majid
Director

Statement of changes in equity

	Called up share capital £ 000	Profit and loss account £ 000	Total equity £ 000
1 January 2020	-	(15)	(15)
Loss for the year	-	(196)	(196)
Balance as at 31 December 2020	-	(211)	(211)
	Called up share capital £ 000	Profit and loss account £ 000	Total equity £ 000
Loss for the year	-	(15)	(15)
Balance as at 31 December 2019	-	(15)	(15)

The notes on pages 15 to 24 form part of these financial statements.

Notes to the financial statements

1 Accounting policies

EDF Renewables Solar Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK and resident in the UK for tax purposes. The registered number is 11762485 and registered address is Alexander House, 1 Mandarin Road, Rainton Bridge Business Park, Houghton le Spring, Sunderland, DH4 5RA, UK. The comparative period is 11 January 2019 to 31 December 2019.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Electricité de France SA, includes the Company in its consolidated financial statements. The consolidated financial statements of Electricité de France SA are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Electricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of key management personnel.
- Disclosure of separate lease information; and
- Disclosures in respect of Revenue disaggregation, performance obligations, transaction prices and significant judgements and changes in contract assets and liabilities..

As the consolidated financial statements of Electricité de France SA include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- The disclosures required by IFRS 7 *Financial Instruments Disclosures* and IFRS 13 *Fair Value Measurement* have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not either held as part of trading portfolio or derivatives.

Notes to the financial statements (continued)

1 Accounting policies (continued)

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 18.

Measurement convention

The financial statements are prepared on the historical cost basis and are presented in sterling, the functional currency of the entity. Amounts presented are rounded to the nearest £1,000.

Going concern

Notwithstanding net liabilities of £211,000 as at 31 December 2020 and a loss for the year then ended of £196,000, the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides including the impact of Covid-19, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the Company's intermediate parent company, EDF Renewables Limited not seeking repayment of the amounts currently due to the group, which at 31 December 2020 amounted to £5,509,000. EDF Renewables Limited has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and provision for impairment.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of acquisition of each asset less estimated residual value, evenly over its expected useful life, as follows:

Solar renewable energy project: 30 years

No depreciation is charged on assets in the course of construction until the asset becomes operational.

Capitalised costs

All expenditure directly attributable to bringing the solar farm into the location and condition necessary for use is capitalised. Costs include PV module costs, installation, logistics, cabling, storage, direct labour and the cost of materials.

Cash and cash equivalents

Cash comprises cash in hand and deposits held which are repayable on demand.

Accounting treatment for finance costs

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the assets ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete. The capitalisation rate used is the interest costs incurred on shareholder loans.

All other finance costs are recognised in the profit and loss account over the term of such instruments, at a constant rate on the carrying amount.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Impairment of non-financial assets excluding deferred tax assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2 Expenses and auditor's remuneration

Audit fees of £7,000 (2019: £8,000) were borne by EDF Energy Renewables Limited and recharged to the Company as part of the wider management fee.

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent undertaking and controlling party, Electricité de France SA.

3 Directors' remuneration

None of the Directors have had a service contract with the Company in the current year. They are all employed by companies within the EDF group and no portion of their remuneration can be specially attributed to their services to the Company.

Notes to the financial statements (continued)

4 Staff numbers and costs

The Company had no employees in the year ended 31 December 2020 (2019: Nil).

5 Interest receivable and similar income

	2020	Period ended 31 December 2019
	£ 000	£ 000
Interest income on bank deposits	-	3
	<u>-</u>	<u>3</u>
	<u>-</u>	<u>3</u>

6 Interest payable and similar expenses

	2020	Period ended 31 December 2019
	£ 000	£ 000
On loans from group companies	86	23
Interest on loans - Capitalised	<u>(80)</u>	<u>(23)</u>
Total interest payable	<u>6</u>	<u>-</u>

Notes to the financial statements (continued)

7 Income tax

(a) Total tax credit recognised in the profit and loss account

	Period ended 31 December	
	2020	2019
	£ 000	£ 000
UK current tax		
Total current tax charge	-	-
UK deferred tax		
Origination and reversal of timing differences	(48)	6
Losses and other deductions	-	(9)
Total deferred tax credit for the year (note 13)	(48)	(3)
Total tax credit on loss	(48)	(3)

(b) Reconciliation of effective tax rate:

	Period ended 31 December	
	2020	2019
	£ 000	£ 000
Loss before tax	(244)	(18)
Tax using the UK corporation tax rate of 19% (2019: 19%)	(48)	(3)
Total tax credit	(48)	(3)

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. As this had not been enacted by the balance sheet date, the deferred tax has been calculated at 19% (2019: 17%). This will increase the company's future current tax charge accordingly and increase the deferred tax asset. It is not anticipated that these changes will have a material impact on the company's deferred tax balances.

Notes to the financial statements (continued)

8 Tangible fixed assets

	Solar assets under construction £ 000	Total £ 000
Cost		
At 1 January 2020	2,978	2,978
Additions	1,996	1,996
Disposals	(341)	(341)
At 31 December 2020	4,633	4,633
Net book value		
At 31 December 2020	4,633	4,633
At 31 December 2019	2,978	2,978

Interest of £80,000 was capitalised during the year (2019: £23,000).

The disposal of assets resulted in a loss of £158,000 which has been recorded within administrative expenses.

9 Debtors

	2020 £ 000	2019 £ 000
Accrued income	-	1
Other debtors	181	-
Other taxation	118	99
	299	100

All balances are expected to be recovered within one year.

Notes to the financial statements (continued)

10 Creditors: amounts falling due within one year

	2020 £ 000	2019 £ 000
Amounts owed to group undertakings	-	50
Trade creditors	197	206
Accruals	134	458
	<u>331</u>	<u>714</u>

11 Creditors: amounts falling due after more than one year

	2020 £ 000	2019 £ 000
Amounts owed to group undertakings (note 12)	5,509	3,123
	<u>5,509</u>	<u>3,123</u>

12 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2020 £ 000	2019 £ 000
Shareholder loan	5,509	3,123
	<u>5,509</u>	<u>3,123</u>

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	Carrying amount 2020 £ 000	Carrying amount 2019 £ 000
Shareholder loan	GBP	3 month LIBOR plus 180 basis points	2029	5,509	3,123
Total				<u>5,509</u>	<u>3,123</u>

The shareholder loan attracts interest on a daily basis at a rate of 3 month LIBOR plus 180 basis points. The loan is repayable on the maturity date.

Notes to the financial statements (continued)

13 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	2020 £ 000	2019 £ 000
Accelerated tax depreciation	51	3
	<u>51</u>	<u>3</u>

Deferred tax movement during the year:

	At 1 January 2020 £ 000	Recognised in profit and loss account £ 000	At 31 December 2020 £ 000
Accelerated tax depreciation	3	48	51

Deferred tax movement during the prior period:

	At 11 January 2019 £ 000	Recognised in profit and loss account £ 000	At 31 December 2019 £ 000
Accelerated tax depreciation	-	3	3

Of the amounts recognised in the profit and loss account, all relate to the current year.

14 Capital and reserves

Share capital

Allotted, called up and fully paid

	2020 Number	2020 £ 000	2019 Number	2019 £ 000
Ordinary shares of £1 each	100	-	100	-
	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes to the financial statements (continued)

14 Capital and reserves (continued)

Profit and loss account

The profit and loss account represents the cumulative profit and loss of the Company, net of dividends.

15 Financial commitments

Amounts contracted for but not provided in the financial statements amounted to £500,000 (2019: £1,622,000). These relate to £442,000 (2019: £1,536,000) of total commitments on engineering, procurement and construction contracts; £13,000 (2019: £86,000) of commitments on logistics and storage contracts; and £45,000 (2019: £Nil) of professional fees and site management contracts.

16 Related party transactions

As the Company is a wholly owned subsidiary of Electricité de France SA, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions with wholly owned subsidiaries which form part of the group. These transactions are described in the preceding notes.

17 Parent undertaking and controlling party

EDF Energy Renewables Limited holds a 100% interest in the Company and is considered to be the immediate parent company. The registered address of EDF Energy Renewables Limited is Alexander House, 1 Mandarin Road, Rainton Bridge Business Park, Houghton le Spring, Sunderland, England, DH4 5RA.

At 31 December 2020, Electricité de France SA, a company incorporated in France, is regarded by the Directors as the Company's ultimate parent company and controlling party. This is the largest group for which consolidated financial statements are prepared. Copies of that Company's consolidated financial statements may be obtained from its registered office, Electricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France. The smallest parent undertaking for which consolidated accounts are prepared is EDF Renouvelables S.A. Copies of the company's consolidated financial statements may be obtained from its registered office, EDF Renouvelables S.A., Coeur Défense -100, Esplanade du Général de Gaulle 92932 Paris La Défense Cedex.

18 Accounting estimates and judgement

The preparation of financial statements requires the use of accounting estimates and judgements, and requires management to exercise judgement in applying accounting policies. We continually evaluate our judgements and assumptions.

The Company holds on its balance sheet, fixed assets related to the solar renewable energy project. The carrying value recognised for these assets is included on the judgement that it will be recovered through the future activities of the Company. These judgements are based on a periodic assessment of impairment indicators which are reviewed by management.