

REGISTERED NUMBER: 12589024 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
SIDDINGTON SOLAR FARM LIMITED**



Magma Audit LLP
Magma House
16 Davy Court
Castle Mound Way
Rugby
CV23 0UZ

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for the year ended 31 December 2022**

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SIDDINGTON SOLAR FARM LIMITED

COMPANY INFORMATION
for the year ended 31 December 2022

DIRECTORS:

P R Bolton
W Cranstone

REGISTERED OFFICE:

5 New Street Square
London
EC4A 3TW

REGISTERED NUMBER:

12589024 (England and Wales)

AUDITORS:

Magma Audit LLP
Magma House
16 Davy Court
Castle Mound Way
Rugby
CV23 0UZ

**REPORT OF THE DIRECTORS
for the year ended 31 December 2022**

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the Company during the period under review was the construction of a solar photovoltaic plant in Cirencester.

REVIEW OF BUSINESS

On 1 April 2022 the Company was acquired by Legal & General UK Investments (Holdings) Limited having previously been under the control of Gresham House Holdings Limited.

COMPARATIVES

The comparatives are for the 7 month period from 1 June 2021 to 31 December 2021 therefore are not entirely comparable to the year ended 31 December 2022. The company changed the year end to 31 December 2022 in order to align with the year end of the new Group.

EVENTS SINCE THE END OF THE YEAR

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

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

P R Bolton

W Cranstone

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK-adopted international accounting standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Magma Audit LLP, were appointed post year end and will be proposed for re-appointment at the forthcoming Annual General Meeting.

REPORT OF THE DIRECTORS
for the year ended 31 December 2022

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



W Cranstone - Director

Date: 22/08/2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SIDDINGTON SOLAR FARM LIMITED

Opinion

We have audited the financial statements of Siddington Solar Farm Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Profit or Loss, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the UK; 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 under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 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.

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SIDDINGTON SOLAR FARM LIMITED**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

Based on our understanding of the company and the industry, we have identified the principal risks of non-compliance with laws and regulations, and we have 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 preparation of the financial statements such as Companies Act 2006. We evaluated 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 posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed included:

- Enquires with management for consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Challenging assumptions made by management in their accounting estimates, such as those in relation to the deferred tax and impairment of tangible fixed assets.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, journal entries crediting revenue, journal entries crediting cash and entries with specific defined descriptions.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Other matters which we are required to address

The prior period figures are unaudited.

Use of our report

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 a Report of the Auditors 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.

Magma Audit W

Victoria Craig (Senior Statutory Auditor)
for and on behalf of Magma Audit LLP
Magma House
16 Davy Court
Castle Mound Way
Rugby
CV23 0UZ

Date: 22.9.23

SIDDINGTON SOLAR FARM LIMITED (REGISTERED NUMBER: 12589024)

**STATEMENT OF PROFIT OR LOSS
for the year ended 31 December 2022**

		Year Ended 31/12/22	Period 1/6/21 to 31/12/21 as restated £
	Notes	£	
CONTINUING OPERATIONS			
Revenue		-	-
Administrative expenses		<u>(41,106)</u>	<u>(132)</u>
OPERATING LOSS		(41,106)	(132)
Finance income	4	<u>22</u>	<u>-</u>
LOSS BEFORE INCOME TAX		(41,084)	(132)
Income tax	5	<u>15,227</u>	<u>-</u>
LOSS FOR THE YEAR		<u>(25,857)</u>	<u>(132)</u>

The notes form part of these financial statements

SIDDINGTON SOLAR FARM LIMITED (REGISTERED NUMBER: 12589024)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2022

	Year Ended 31/12/22	Period 1/6/21 to 31/12/21 as restated
	£	£
LOSS FOR THE YEAR	(25,857)	(132)
OTHER COMPREHENSIVE INCOME	-	-
	<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(25,857)</u>	<u>(132)</u>

The notes form part of these financial statements

SIDDINGTON SOLAR FARM LIMITED (REGISTERED NUMBER: 12589024)

STATEMENT OF FINANCIAL POSITION
31 December 2022

		2022	2021
	Notes	£	as restated £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	<u>2,474,154</u>	<u>1,062,196</u>
CURRENT ASSETS			
Trade and other receivables	8	425,693	236,752
Cash and cash equivalents	9	<u>720,726</u>	<u>63,241</u>
		<u>1,146,419</u>	<u>299,993</u>
TOTAL ASSETS		<u><u>3,620,573</u></u>	<u><u>1,362,189</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Share premium	11	719,613	-
Retained earnings	11	<u>(25,989)</u>	<u>(132)</u>
TOTAL EQUITY		<u>693,624</u>	<u>(132)</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	12	<u>2,878,453</u>	<u>-</u>
CURRENT LIABILITIES			
Trade and other payables	12	<u>48,496</u>	<u>1,362,321</u>
TOTAL LIABILITIES		<u>2,926,949</u>	<u>1,362,321</u>
TOTAL EQUITY AND LIABILITIES		<u><u>3,620,573</u></u>	<u><u>1,362,189</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on22 August 2023..... and were signed on its behalf by:



.....
W Cranstone - Director

The notes form part of these financial statements

SIDDINGTON SOLAR FARM LIMITED (REGISTERED NUMBER: 12589024)

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

	Retained earnings £	Share premium £	Total equity £
Changes in equity			
Total comprehensive income	(132)	-	(132)
Balance at 31 December 2021	<u>(132)</u>	<u>-</u>	<u>(132)</u>
Changes in equity			
Issue of share capital	-	719,613	719,613
Total comprehensive income	(25,857)	-	(25,857)
Balance at 31 December 2022	<u><u>(25,989)</u></u>	<u><u>719,613</u></u>	<u><u>693,624</u></u>

The notes form part of these financial statements

SIDDINGTON SOLAR FARM LIMITED (REGISTERED NUMBER: 12589024)

STATEMENT OF CASH FLOWS
for the year ended 31 December 2022

		Year Ended 31/12/22	Period 1/6/21 to 31/12/21 as restated £
		£	
Cash flows from operating activities			
Cash generated from operations	1	<u>(174,557)</u>	<u>(233,698)</u>
Net cash from operating activities		<u>(174,557)</u>	<u>(233,698)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(1,411,958)</u>	<u>(1,062,196)</u>
Interest received		<u>22</u>	<u>-</u>
Net cash from investing activities		<u>(1,411,936)</u>	<u>(1,062,196)</u>
Cash flows from financing activities			
New loans in year		<u>1,524,365</u>	<u>1,359,135</u>
Share issue		<u>719,613</u>	<u>-</u>
Net cash from financing activities		<u>2,243,978</u>	<u>1,359,135</u>
Increase in cash and cash equivalents		<u>657,485</u>	<u>63,241</u>
Cash and cash equivalents at beginning of year	2	<u>63,241</u>	<u>-</u>
Cash and cash equivalents at end of year	2	<u><u>720,726</u></u>	<u><u>63,241</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
for the year ended 31 December 2022

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	Year Ended 31/12/22	Period 1/6/21 to 31/12/21 as restated
	£	£
Loss before income tax	(41,084)	(132)
Finance income	(22)	-
	<u>(41,106)</u>	<u>(132)</u>
Increase in trade and other receivables	(173,714)	(236,752)
Increase in trade and other payables	40,263	3,186
	<u>40,263</u>	<u>3,186</u>
Cash generated from operations	<u>(174,557)</u>	<u>(233,698)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2022

	31/12/22	1/1/22
	£	£
Cash and cash equivalents	<u>720,726</u>	<u>63,241</u>

Period ended 31 December 2021

	31/12/21 as restated	1/6/21
	£	£
Cash and cash equivalents	<u>63,241</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2022

1. STATUTORY INFORMATION

Siddington Solar Farm Limited is a limited company, registered in England and Wales. Its registered office address is 5 New Street Square, London, England, EC4A 3TW and the registered number is 12589024.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The most critical accounting policies and estimates in determining the financial conditions and results of the Company are those requiring a greater degree of subjective or complete judgement. These relate to:

Critical accounting judgements

- Capitalisation and depreciation of property, plant and equipment

The depreciation methods, estimated remaining useful lives and residual values are reviewed on an ongoing basis.

Key sources of estimation uncertainty

- Deferred taxes

Deferred tax assets are recognised for pre-trading expenses to the extent that it is probable that taxable profit will be available against which the expenses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

New and amended standards and interpretations applied

There were no new standards or interpretations effective for the first time for periods beginning on or after 1 January 2022 that had a significant effect on the Company's financial statements. However, the Company has applied the following amendments for the first time for their annual reporting period commencing 28 April 2022:

- Narrow-scope amendments to IAS 37 "Provisions, contingent liabilities and contingent assets" and annual improvements on IFRS 9 "Financial instruments".

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

2. ACCOUNTING POLICIES - continued

New and amended standards and interpretations not applied

At the date of authorisation of these financial statements, the following amendments had been published and will be mandatory for future accounting periods.

Effective for accounting periods beginning on or after 1 January 2023:

- Narrow-scope amendments to IAS 1 "Presentation of Financial Statements", Practice statement 2 and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".
- Amendments to IAS 12, "Income Taxes" - deferred tax related to assets and liabilities arising from a single transaction.

Effective for accounting periods beginning on or after 1 January 2024:

- Amendments to IAS 1 on classification of liabilities clarify that liabilities are classified as either current or non current, depending on the rights that exist at the end of the reporting period.

The impact of these standards is not expected to be material to the reported results and financial position of the Company.

Cash and cash equivalents

Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

Assets under construction

Assets under construction is stated at acquisition cost. Costs include amounts payable to third party contractors for the construction of the solar plant and other costs that were directly attributable to bringing the assets into working condition for their intended use. The costs will be depreciated over the life of the lease of 40 years once the solar farm is ready for use.

Depreciation is provided on all property, plant and equipment, at annual rates calculated in order to write off the cost, less estimated residual value, on a straight-line basis over their expected useful lives.

Interest on loan amounts used for capital expenditure during the construction phase of the assets are capitalised according to the nature of the capital expenditure.

Depreciation commences when the asset becomes ready for its intended use. The residual values, if not insignificant, and remaining useful lives are reassessed at each reporting date. When parts of an item of property, plant and equipment have different useful lives, those components are accounted for as separate items of property, plant and equipment. Gains and losses on disposals are determined by comparing the proceeds received with the carrying amount and are recognised within other income/(expenditure) in the Statement of Other Comprehensive Income.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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 the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

2. ACCOUNTING POLICIES - continued

Taxation

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

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Going concern

The Company has cash balances of £720,726 (2021: £63,241) and total equity of £693,624 (2021: £(132)). The Directors have fully considered the risks and uncertainties of the Company's cash flow forecasts and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of signing. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

Receivables

Basic financial assets, including trade and other debtors, 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, less any impairment.

Payables

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, 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 payments discounted at a market rate of interest. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

Share capital

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

3. EMPLOYEES AND DIRECTORS

There are no employees in the Company in the current year or in the prior year and therefore no employee costs.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

3. EMPLOYEES AND DIRECTORS - continued

	Year Ended 31/12/22	Period 1/6/21 to 31/12/21 as restated
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

4. NET FINANCE INCOME

	Year Ended 31/12/22	Period 1/6/21 to 31/12/21 as restated
	£	£
Finance income:		
Interest income	<u>22</u>	<u>-</u>

5. INCOME TAX**Analysis of tax income**

	Year Ended 31/12/22	Period 1/6/21 to 31/12/21 as restated
	£	£
Deferred tax	<u>(15,227)</u>	<u>-</u>
Total tax income in statement of profit or loss	<u>(15,227)</u>	<u>-</u>

Factors affecting the tax expense

The tax assessed for the year is lower (2021 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31/12/22	Period 1/6/21 to 31/12/21 as restated
	£	£
Loss before income tax	<u>(41,084)</u>	<u>(132)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	<u>(7,806)</u>	<u>(25)</u>
Effects of:		
Adjustments in respect of prior years	<u>(4,956)</u>	<u>-</u>
Changes in tax rates	<u>(2,465)</u>	<u>-</u>
Unrecognised deferred tax	<u>-</u>	<u>25</u>
Tax income	<u>(15,227)</u>	<u>-</u>

Factors affecting current and future tax charges

On 24 May 2021, the Finance Act 2021 was substantively enacted to introduce a main rate of corporation tax of 25%, with effect from 1 April 2023.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

6. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been recognised in respect of the incorrect recognition of interest expense on loans. Interest expense incurred is directly attributable to the acquisition, construction and production of a solar asset and therefore qualifies under IAS 23 as a capitalised borrowing cost.

As a result of the prior year adjustment interest expense in the Statement of Profit or Loss has reduced by £14,135 and asset under construction additions in the Statement of Financial Position has increased by £14,135.

7. PROPERTY, PLANT AND EQUIPMENT

	Assets under constructio £
COST	
At 1 January 2022	1,062,196
Additions	1,411,958
	<hr/>
At 31 December 2022	2,474,154
	<hr/>
NET BOOK VALUE	
At 31 December 2022	2,474,154
	<hr/>
	<hr/>
	Assets under construction £
COST	
Additions	1,062,196
	<hr/>
At 31 December 2021	1,062,196
	<hr/>
NET BOOK VALUE	
At 31 December 2021	1,062,196
	<hr/>
	<hr/>

Included within assets under construction additions are capitalised borrowing costs of £30,252 (2021: £14,135) capitalised at a rate of 4% per annum.

8. TRADE AND OTHER RECEIVABLES

	2022	2021 as restated
	£	£
Current:		
Amounts owed by group undertakings	140,118	-
Other debtors	15,227	27,140
VAT	269,793	209,612
Prepayments and accrued income	555	-
	<hr/>	<hr/>
	425,693	236,752
	<hr/>	<hr/>

9. CASH AND CASH EQUIVALENTS

	2022	2021 as restated
	£	£
Bank accounts	720,726	63,241
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2022	2021
Number:	Class:		£	as restated £
2	Ordinary	£0.01	-	-

1 Ordinary share of £0.01 was allotted during the year via a debt-to-equity swap to convert 20% of the loan balance with L&G Solar Investments (Holdings) Limited into equity. This gave rise to a share premium of £719,613 as at the year end.

11. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 January 2022	(132)	-	(132)
Deficit for the year	(25,857)		(25,857)
Cash share issue	-	719,613	719,613
At 31 December 2022	(25,989)	719,613	693,624

12. TRADE AND OTHER PAYABLES

	2022 £	2021 as restated £
Current:		
Trade creditors	34,449	3,186
Amounts owed to group undertakings	5,047	1,359,135
Accruals and deferred income	9,000	-
	<u>48,496</u>	<u>1,362,321</u>
Non-current:		
Amounts owed by group	<u>2,878,453</u>	<u>-</u>
Aggregate amounts	<u>2,926,949</u>	<u>1,362,321</u>

13. RELATED PARTY DISCLOSURES

Included within amounts owed to group undertakings is a loan owed to L&G Solar Investments (Holdings) Limited, the immediate parent company, of £2,883,185 (2021: £nil). Interest accrues on this loan at a rate of 4% per annum. At the year end, interest of £316 (2021: £nil) remains outstanding.

Included within amounts owed to group undertakings to 31 December 2021 is a loan owed to Gresham House plc of £1,345,000, the previous parent company. Interest of 9% accrued on the loan and as at the end of the prior year £14,135 was outstanding. The loan was fully repaid in the year as part of the acquisition by L&G Solar Investments (Holdings) Limited and therefore £nil remains outstanding at the year end.

At the year end a balance of £140,118 (2021: £nil) was owed by L&G Solar Investments (Holdings) Limited, the immediate parent company.

Management fees of £28,707 (2021: £nil) were payable to L&G Solar Investments (Holdings) Limited.

No Director had any interest in any contract or arrangements of a material nature with the Company.

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2022**

14. EVENTS AFTER THE REPORTING PERIOD

On 28th January 2023, the Company allotted 1 Ordinary share with a nominal value of £0.01 and the amount paid was £435,303.

There were no other significant events after the year end.

15. ULTIMATE CONTROLLING PARTY

The immediate parent of the Company is Legal & General UK Solar Investments (Holdings) Limited, a company registered in the United Kingdom.

The ultimate controlling party is Legal & General Assurance Society Limited, a company registered in the United Kingdom.