

Company Registration No. 07678949 (England and Wales)

**SUNSAVE 2 LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2016**  
**PAGES FOR FILING WITH REGISTRAR**



# **SUNSAVE 2 LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	Mr A C Milner Mrs D Vogt
<b>Company number</b>	07678949
<b>Registered office</b>	Unit 21 Newhaven Enterprise Centre Denton Island Newhaven East Sussex England BN9 9BA
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 14th Floor 20 Chapel Street Liverpool L3 9AG

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# **SUNSAVE 2 LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

**SUNSAVE 2 LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	3	5,525,882		5,795,435	
<b>Current assets</b>					
Debtors	4	600,701		96,657	
Cash at bank and in hand		533,892		621,623	
		1,134,593		718,280	
<b>Creditors: amounts falling due within one year</b>	5	(1,777,633)		(1,931,347)	
<b>Net current liabilities</b>		(643,040)		(1,213,067)	
<b>Total assets less current liabilities</b>		4,882,842		4,582,368	
<b>Creditors: amounts falling due after more than one year</b>	6	(4,248,255)		(4,838,432)	
<b>Provisions for liabilities</b>	8	(199,158)		(41,922)	
<b>Net assets/(liabilities)</b>		435,429		(297,986)	
<b>Capital and reserves</b>					
Called up share capital	10	2		2	
Profit and loss reserves	11	435,427		(297,988)	
<b>Total equity</b>		435,429		(297,986)	

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 12.04.2017 and are signed on its behalf by:



Mrs D Vogt  
Director

## SUNSAVE 2 LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

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	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2015	2	(22,405)	(22,403)
Year ended 31 December 2015:			
Loss and total comprehensive income for the year	-	(275,583)	(275,583)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	2	(297,988)	(297,986)
Year ended 31 December 2016:			
Profit and total comprehensive income for the year	-	733,415	733,415
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2016	2	435,427	435,429
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# SUNSAVE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

#### Company information

Sunsave 2 Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 21 Newhaven Enterprise Centre, Denton Island, Newhaven, East Sussex, England, BN9 9BA.

The principal place of business is Oving, Buckinghamshire.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Transition to FRS 102

These financial statements are the first financial statements of Sunsave 2 Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Sunsave 2 Limited for the year ended 31 December 2015 were prepared in accordance with previous Financial Reporting Standard for Smaller Entities (effective January 2015) (FRSSE).

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous FRSSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in retained earnings at the transition date and are detailed in note 15.

#### Going concern

The company made a profit after tax in the year of £733,415 (2015: loss of £275,583) and has net current liabilities of £643,040 (2015: £1,213,067) but shows a net surplus in shareholder funds of £435,429 (2015: deficit of £297,986) at the balance sheet date.

The company currently relies on the continued financial support from its bank and its parent company Vogt Projekt Holding GmbH. This support has been confirmed for the foreseeable future and the directors therefore believe that the financial statements have been appropriately prepared on a going concern basis.

#### Turnover

Turnover comprises revenue recognised by the company in respect of the supply of wholesale electricity exclusive of Value Added Tax and trade discounts. The company receives Feed In Tariffs in respect of the production of electricity.

Revenue is recognised when electricity is supplied.

# SUNSAVE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies (Continued)

#### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Solar farm	- 4% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

# SUNSAVE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies (Continued)

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies are classified as debt, 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.

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

##### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### **Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

##### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

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 company'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 measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.



# SUNSAVE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies (Continued)

##### Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

##### Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

##### Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### 2 Employees

The average monthly number of employees during the year was Nil (2015: Nil).

#### 3 Tangible fixed assets

	Solar farm £
<b>Cost</b>	
At 1 January 2016 and 31 December 2016	6,738,810
<b>Depreciation and impairment</b>	
At 1 January 2016	943,376
Depreciation charged in the year	269,552
At 31 December 2016	1,212,928
<b>Carrying amount</b>	
At 31 December 2016	5,525,882
At 31 December 2015	5,795,435

# SUNSAVE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 4 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	136,858	-
Other debtors	200	7,883
Prepayments and accrued income	15,046	68,774
	<u>152,104</u>	<u>76,657</u>
<b>Amounts falling due after more than one year:</b>		
Derivative financial instruments	428,597	-
Other debtors	20,000	20,000
	<u>448,597</u>	<u>20,000</u>
<b>Total debtors</b>	<u>600,701</u>	<u>96,657</u>

### 5 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	303,566	302,065
Trade creditors	45,663	45,036
Amounts due to group undertakings	1,329,765	1,480,282
Other creditors	98,639	103,964
	<u>1,777,633</u>	<u>1,931,347</u>

The aggregate amount for which security has been given amounted to £303,566 (2015: £302,065).

# SUNSAVE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 6 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Bank loans and overdrafts		4,248,255	4,551,821
Derivative financial instruments		-	286,611
		<u>4,248,255</u>	<u>4,838,432</u>

The aggregate amount of creditors for which security has been given amounted to £4,248,255 (2015: £4,551,821).

The bank loan is secured by a debenture with a fixed and floating charge over the undertakings and all property and assets present and future, including goodwill, book debt, uncalled capital, buildings and plant and machinery, in favour of Bayerische Landesbank.

Included within creditors falling due after more than one year is an amount of £3,018,831 (2015: £3,328,476) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

#### 7 Financial instruments

	2016 £	2015 £
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	428,597	-
<b>Carrying amount of financial liabilities</b>		
Measured at fair value through profit or loss		
- Other financial liabilities	-	286,611

#### Interest Rate Swaps

The Company uses fixed cross currency interest rates swaps to manage its exposure to interest rate and exchange rate movements on its bank borrowings. A cross currency interest rate swap contract with nominal values of £4,551,821 (2015: £4,853,886) fix interest payments at an average rate of 2.70% (2015: 2.70%) for periods up until 2022.

The fair values of interest rate swaps are determined using the yield curves in Reuters on the year end dates. The future cash flow is discounted using the zero curve of the valuation day (present value method). European options are measured using the Black-Scholes model, and Bermuda options using the Hull-White model.

#### 8 Provisions for liabilities

		2016 £	2015 £
Other provisions		57,880	55,923
Deferred tax liabilities/ (asset)	9	141,278	(14,001)
		<u>199,158</u>	<u>41,922</u>

# SUNSAVE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 8 Provisions for liabilities (Continued)

Movements on provisions apart deferred tax liabilities:

	Other provisions £
At 1 January 2016	55,923
Additional provisions in the year	1,957
	<hr/>
At 31 December 2016	57,880
	<hr/> <hr/>

#### Deconstruction provision

The company's lease over the land on which it has constructed a solar park requires it to return the land to its original condition at the inception of the lease. This provision represents the present value of the estimated cost of complying with this obligation at the end of the lease.

### 9 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £
<b>Balances:</b>		
Accelerated Capital Allowances	162,343	151,593
Tax losses	(93,927)	(114,004)
Short term timing differences	72,862	(51,590)
	<hr/>	<hr/>
	141,278	(14,001)
	<hr/> <hr/>	<hr/> <hr/>
		<b>2016</b>
<b>Movements in the year:</b>		<b>£</b>
Liability/(Asset) at 1 January 2016		(14,001)
Charge to profit or loss		155,279
		<hr/>
Liability at 31 December 2016		141,278
		<hr/> <hr/>

# SUNSAVE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 10 Called up share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2 Ordinary shares of £1 each	2	2

### 11 Reserves

#### Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

### 12 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	96,906	97,736
Between one and five years	222,216	400,611
In over five years	499,986	1,816,824
	<u>819,108</u>	<u>2,315,171</u>

### 13 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	<b>Purchase of goods</b>	
	2016 £	2015 £
Other related parties	63,958	98,133

The following amounts were outstanding at the reporting end date:

	2016 £	2015 £
<b>Amounts owed to related parties</b>		
Other related parties	94,577	63,837
	<u>94,577</u>	<u>63,837</u>

No guarantees have been given or received.

# SUNSAVE 2 LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 14 Parent company

The immediate parent company is Vogt Projekt Holding GmbH. The ultimate controlling party is Dagmar Vogt Vermögensverwaltungs GmbH being the 100% shareholder of Vogt Projekt Holding GmbH. Both companies are incorporated in Germany.

#### 15 Reconciliations on adoption of FRS 102

##### Reconciliation of equity

	Notes	1 January 2015 £	31 December 2015 £
Equity as reported under previous UK GAAP		(39,691)	(62,965)
Adjustments arising from transition to FRS 102:			
Fair Value of cross currency interest rate swap	a)	21,883	(286,611)
Deferred tax on cross currency interest rate swap	a)	(4,595)	51,590
Equity reported under FRS 102		<u>(22,403)</u>	<u>(297,986)</u>

##### Reconciliation of loss for the financial period

	Notes	2015 £
Loss as reported under previous UK GAAP		(23,274)
Adjustments arising from transition to FRS 102:		
Fair Value of cross currency interest rate swap	a)	(308,494)
Deferred tax on cross currency interest rate swap	a)	56,185
Loss reported under FRS 102		<u>(275,583)</u>

#### Notes to reconciliations on adoption of FRS 102

##### a) Interest rate swap

Under previous UK GAAP fair value gains/losses on cross currency interest rate swaps were disclosed, but not recognised, in the financial statements. Under FRS 102, these instruments are recognised as assets or liabilities, with a total asset of £21,883 being recognised at 1 January 2015 and a corresponding adjustment to reserves. Consequently, fair value gains of £21,883 on variable to fixed cross currency interest rate swaps are released to profit or loss over the term of the swap agreement, with £308,494 being released in the year ended 31 December 2015.

Deferred tax recognised on the fair value liability at the date of transition was £4,595.

# **SUNSAVE 2 LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **16 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.  
The senior statutory auditor was Ian Taylor.  
The auditor was RSM UK Audit LLP.