

Registered number: 10720676

BAIYUN POWER UK LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020



BAIYUN POWER UK LIMITED

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BAIYUN POWER UK LIMITED**BALANCE SHEET
AS AT 30 APRIL 2020**

	Note	2020 £	2019 £
Current assets			
Cash at bank and in hand		51,727	58,149
		<u>51,727</u>	<u>58,149</u>
Creditors: amounts falling due within one year	4	(157,626)	(86,535)
Net current liabilities		<u>(105,899)</u>	<u>(28,386)</u>
Total assets less current liabilities		<u>(105,899)</u>	<u>(28,386)</u>
Net liabilities		<u>(105,899)</u>	<u>(28,386)</u>
Capital and reserves			
Called up share capital	5	120,000	120,000
Profit and loss account		(225,899)	(148,386)
		<u>(105,899)</u>	<u>(28,386)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Section 1A of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

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

Linian Yang
Director

Date:

01/03/2021

The notes on pages 2 to 5 form part of these financial statements.

BAIYUN POWER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2020

1. General information

Baiyun Power UK Limited is a private company limited by shares incorporated in England and Wales. The address of its registered office is Palladium House, 1-4 Argyll Street, London, United Kingdom, W1F 7LD.

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 £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

Due to the fact that the company has not been able to generate any revenue it is in negative equity and it depends entirely on the support from its parent company. However, post year end the parent company has capitalised its loan to the company as described in the note 7 Post balance sheet events and has agreed to provide further financial support to cover company's regular expenses for the period of at least twelve months from the date of approval of these financial statements.

Taking the aforementioned into consideration in forming a view, the director has a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved.

Accordingly, the director's view is that the going concern basis used in preparing the financial statements remains appropriate.

2.3 Financial instruments

The Company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument.

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.

The Company's policies for its major classes of financial assets and financial liabilities are set out below.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

Financial assets 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 the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

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2. Accounting policies (continued)

Financial instruments (continued)

Derecognition of financial assets and financial liabilities

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

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.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.5 Share capital

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

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2019 - 1).

BAIYUN POWER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

4. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	130,000	80,000
Other taxation and social security	511	2,584
Other creditors	10,491	2,871
Accruals and deferred income	16,624	1,080
	<u>157,626</u>	<u>86,535</u>

5. Share capital

	2020 £	2019 £
Authorised, allotted, called up and fully paid		
120,000 (2019 - 120,000) Ordinary shares of £1.00 each	<u>120,000</u>	<u>120,000</u>

6. Related party transactions

At the year end the company owed its parent undertaking £130,000 (2019 - £80,000). The loan is repayable on demand and no interest is charged.

At the year end the company owed its director £7,402 (2019 - £2,871). The loan is repayable on demand and no interest is charged.

7. Post balance sheet events

Subsequent to the year end, the parent undertaking capitalized its loan to the company of £130,000 into 130,000 ordinary shares. The parent undertaking has submitted appropriate documents to Companies House on 24.02.2021 in respect of this transaction.

8. Parent undertaking

The smallest group for which consolidated financial statements are drawn up is headed by Baiyun Power Group Company Limited whose registered office is No. 1 Dangpu Street, Shilongxu, Shenshan Town, Baiyun District, Guangzhou City, China.

9. Auditor's information

The auditor's report on the financial statements for the year ended 30 April 2020 was unqualified.

The audit report was signed on 24 March 2021 by Michael Krieger (senior statutory auditor) on behalf of Blick Rothenberg Audit LLP.