

Report of the Directors and  
Financial Statements for the Year Ended 31 December 2022  
for  
Toucan Energy Services Limited

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for the Year Ended 31 December 2022

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Toucan Energy Services Limited

Company Information  
for the Year Ended 31 December 2022

**DIRECTORS:**

N J Pike  
D S Skilton

**REGISTERED OFFICE:**

1 Long Lane  
London  
SE1 4PG

**REGISTERED NUMBER:**

11135441 (England and Wales)

**AUDITORS:**

Moore  
Chartered Accountants and Statutory Auditor  
30 Gay Street  
Bath  
BA1 2PA

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.

**DIRECTORS**

The directors who have held office during the period from 1 January 2022 to the date of this report are as follows:

D Kirk - resigned 13 October 2022

I Walsh - resigned 1 July 2022

N J Pike - appointed 14 July 2022

D S Skilton was appointed as a director after 31 December 2022 but prior to the date of this report.

**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 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.

**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, Moore, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Toucan Energy Services Limited (Registered number: 11135441)

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:**

D S Skilton - Director

29 September 2023

### **Opinion**

We have audited the financial statements of Toucan Energy Services Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Balance Sheet and 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

### **Material uncertainty relating to going concern**

We draw attention to note 2 in the financial statements, which indicates that the Company's ability to meet its liabilities as they fall due is dependent upon group support that cannot, at this time, be guaranteed. As stated in note 2, these events or conditions, along with other matters as set forth in note 2 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.

We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



Report of the Independent Auditors to the Members of  
Toucan Energy Services Limited

**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.

Mark Powell (Senior Statutory Auditor)  
for and on behalf of Moore  
Chartered Accountants and Statutory Auditor  
30 Gay Street  
Bath  
BA1 2PA

29 September 2023

Income Statement  
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
<b>TURNOVER</b>		1,796,991	1,203,695
Cost of sales		<u>1,304,866</u>	<u>949,634</u>
<b>GROSS PROFIT</b>		492,125	254,061
Administrative expenses		<u>426,975</u>	<u>172,387</u>
<b>OPERATING PROFIT and PROFIT BEFORE TAXATION</b>		65,150	81,674
Tax on profit		<u>-</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>65,150</u>	<u>81,674</u>

The notes form part of these financial statements

Balance Sheet  
31 December 2022

	Notes	31.12.22 £	£	31.12.21 £	£
<b>FIXED ASSETS</b>					
Tangible assets	5		1,851		3,949
<b>CURRENT ASSETS</b>					
Stocks		337,350		279,894	
Debtors	6	229,537		111,639	
Cash at bank		<u>284,570</u>		<u>70,396</u>	
		851,457		461,929	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>747,696</u>		<u>425,416</u>	
<b>NET CURRENT ASSETS</b>			<u>103,761</u>		<u>36,513</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>105,612</u>		<u>40,462</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			100		100
Retained earnings			<u>105,512</u>		<u>40,362</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>105,612</u>		<u>40,462</u>

The financial statements have been prepared 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 29 September 2023 and were signed on its behalf by:

D S Skilton - Director

Notes to the Financial Statements  
for the Year Ended 31 December 2022

1. **STATUTORY INFORMATION**

Toucan Energy Services Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Going concern**

The directors have considered the going concern basis of the Company in light of current events affecting the economy, specifically the situation in the United Kingdom, and the current status of the Company and wider Group's external financing arrangements. The directors have considered all aspects of the Company's business when looking at the going concern status.

Junior Debt

In February 2021, the wider Group underwent a restructuring with Toucan Energy Holdings 1 Limited (TEHL1) becoming the holding company of the Company. As part of this restructuring, it was intended that the wider Group's £655m junior financing arrangements from the issuance of bonds (initially issued by two group companies, Rockfire Investment Finance PLC and Toucan Bond Co 19 Limited) would be novated to TEHL1.

There has, however, been uncertainty as to whether this novation has validly taken place placing the Junior debt in a default situation. In June and July 2022, a new director was appointed in respect of various Group companies (including the Company and its subsidiaries) and discussions were undertaken with the holder of the Junior debt to seek to regularise the situation as soon as possible. There exists a material uncertainty as to whether the Company and its assets have been effectively pledged as security under the terms associated with the Junior debt held by the Company's immediate parent, Toucan Energy Holdings 1 Limited.

As part of the discussions an external valuation of the wider Group was obtained which showed that the value of TEHL1's liabilities exceeded its assets which instigated the director to appoint Administrators to take over the affairs of TEHL1 on 10 November 2022. The Administrators have announced their intention to dispose of the TEHL1's assets (including the Company) by way of a solvent sale during 2023. The directors are working closely with the Administrators to achieve that aim.

Whilst the sale continues to be progressed the Administrators have confirmed that they do not intend, whilst they continue in office as agents for TEHL1, to cause TEHL1 to seek repayment of amounts loaned to the Company for at least 12 months from the date of approval of the financial statements if repayment of these amounts would result in the Company being unable to meet its obligations. The holder of the Junior debt is supportive of the Administrator's plans and their statement of proposals dated 22 December 2022 has been approved by creditors.

Management Conclusion

The directors have considered the going concern basis of the Company in light of the current status of the Company and the appointment of administrators to TEHL1. The directors have considered all aspects of the Company's business when looking at the going concern status.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

The Company has net assets; having reviewed the Company's current position and cash flow projections for the next twelve months; and taking into account the events after the reporting period, the directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future and meet its day-to-day operating liabilities as they fall due. Therefore, on this expectation and TEHL1's Administrators' intentions to not call on the Company's liabilities for the foreseeable future whilst they effect a solvent sale of the Company leads the directors to conclude the going concern basis is appropriate despite the material uncertainties discussed above.

However, the directors note that due to uncertainty regarding the future ownership of the Company there exists, at the time of signing these financial statements, a material uncertainty that would result in the going concern basis being inappropriate should a new owner decide not to defer the repayment of the intercompany loan. In this instance, the Company might be unable to realise its assets and discharge its liabilities in the normal course of business.

**Turnover**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of management services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity;
- and specific criteria have been met for each of the company's activities.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Tangible fixed assets are recorded at historical cost net of accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

**Classification**

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 in the company's balance sheet 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.

**Recognition and measurement**

**Basic financial assets**

Basic financial assets, which include 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**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 creditors and loans from fellow group companies, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured as amortised cost using the effective interest method.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

**2. ACCOUNTING POLICIES - continued**

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 6 (2021 - 6) .



**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**4. OPERATING PROFIT**

The operating profit is stated after charging:

	31.12.22	31.12.21
	£	£
Depreciation - owned assets	<u>3,089</u>	<u>3,919</u>

**5. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2022	13,605	14,031	27,636
Additions	-	991	991
At 31 December 2022	<u>13,605</u>	<u>15,022</u>	<u>28,627</u>
<b>DEPRECIATION</b>			
At 1 January 2022	10,123	13,564	23,687
Charge for year	2,721	368	3,089
At 31 December 2022	<u>12,844</u>	<u>13,932</u>	<u>26,776</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>761</u>	<u>1,090</u>	<u>1,851</u>
At 31 December 2021	<u>3,482</u>	<u>467</u>	<u>3,949</u>

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22	31.12.21
	£	£
Trade debtors	174,507	7,560
Amounts owed by group undertakings	5,000	65,000
Other debtors	<u>50,030</u>	<u>39,079</u>
	<u>229,537</u>	<u>111,639</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22	31.12.21
	£	£
Trade creditors	182,002	53,886
Amounts owed to group undertakings	219,228	219,228
Taxation and social security	193,126	115,769
Other creditors	<u>153,340</u>	<u>36,533</u>
	<u>747,696</u>	<u>425,416</u>

**8. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.22	31.12.21
	£	£
Within one year	<u>60,750</u>	<u>29,820</u>

**9. RELATED PARTY DISCLOSURES**

During the year ended 31 December 2022 the following balances and transactions occurred with fellow group companies.

100% of sales were to companies under common control, including £1,573,054 (2021: £935,450) of management fees charged to fellow group companies and £223,937 (2021: £268,245) representing the sale of parts to individual solar farms under common control.

Recharges were also incurred during the year from fellow group companies, totalling £nil (2021: £40,408).

The Company also sold REGO certificates on behalf of fellow group companies, totalling £nil (2021: £38,599).

At the balance sheet date, included within trade debtors is an amount totalling £174,507 (2021: £7,560) due from fellow group companies. Also included within debtors due within 1 year is an amount of £5,000 (2021: £65,000) due from Toucan Energy Limited, a fellow group company.

At the balance sheet date, included within creditors: amounts falling due within 1 year is an amount totalling £219,228 (2021: £219,228) due to Toucan Energy Holdings 1 Limited, the Company's immediate parent company.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

**10. ULTIMATE CONTROLLING PARTY**

The Company's immediate parent company is Toucan Energy Holdings 1 Limited, a company incorporated in England and Wales. The registered office address of the immediate parent company, Toucan Energy Holdings 1 Limited, is 10 Fleet Place, London, EC4M 7RB, United Kingdom.

Toucan Energy Holdings 1 Limited is directly owned by Anyard Holdings Limited, a company incorporated in the Isle of Man.

The registered address of Anyard Holdings Limited is 2nd Floor, St George's Court, Upper Church Street, Douglas, IM1 1EE, Isle of Man.

The ultimate controlling party was Mr L J Kavanagh by virtue of his shareholding in Anyard Holdings Limited.

Joint Administrators were appointed to Toucan Energy Holdings 1 Limited on 10 November 2022. Mr L J Kavanagh remains the ultimate controlling shareholder of Anyard Holdings Limited but no longer has effective control of Toucan Energy Holdings 1 Limited now that the business, affairs and property of Toucan Energy Holdings 1 Limited are being managed by the Joint Administrators in their capacity as agents of that company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.