

**Registered number 04403959**

**Southern Solar Limited**

**Directors' Report and Financial Statements**



**18 month period ended 30th September 2012**

# **Southern Solar Limited**

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## **Southern Solar Limited**

### **Company Information**

**for the 18 month period ended 30th September 2012**

<b>DIRECTORS:</b>	Mr Howard Johns Mr Simon Griffiths Mr Luke Hutchison Mr Robin Johns Mr Graham Miller Triodos Corporate Officer Limited
<b>SECRETARY:</b>	Mr Simon Griffiths
<b>REGISTERED OFFICE:</b>	Unit 16B Evans Business Centre Western Industrial Estate Caerphilly Wales CF83 1BE
<b>REGISTERED NUMBER:</b>	04403959 (England and Wales)
<b>AUDITORS:</b>	Baker Tilly UK Audit LLP Portland 25 High Street Crawley West Sussex RH10 1BG

# **Southern Solar Limited**

## **Report of the Directors** **for the 18 month period ended 30th September 2012**

The directors present their report and financial statements for the 18 month period ended 30<sup>th</sup> September 2012

### **PRINCIPAL ACTIVITIES**

The principal activities of the company are those of installing solar thermal and solar photovoltaic energy systems

### **BUSINESS REVIEW**

Following the introduction of the Feed In Tariff 'FIT', Southern Solar Limited experienced dramatic growth reaching turnover of in excess £10m in the period ended 30<sup>th</sup> September 2012 as homeowners, commercial businesses and other organisations took up the incentive to install solar energy systems. During this period the Company expanded to seven regional offices across the UK with an employee base of 90 staff.

The UK Government's subsequent major reduction of the FIT in March 2012 had a crippling effect on the solar industry. Demand for solar installations immediately fell sharply and many companies failed to survive. Southern Solar Limited has undertaken a major restructuring of the business in order to ensure its future viability and survive through this turbulent period.

### **FUTURE DEVELOPMENTS**

Following the restructuring the Company now operates from five regional offices and employs 23 staff. Although the size and turnover of the business has reverted back to previous levels, the business model is now more scalable, efficient and diversified. The Company now has three key areas of focus,

- Commercial and domestic PV installations (the original core business)
- External Wall Insulation (Supported by UK Government and EU energy incentives)
- Ground mount solar development (Supported by the UK Government's ROC regime)

The Company is now essentially a project management business having outsourced a number of functions including aspects of the solar installations and sales process. The Directors believe that Southern Solar Limited is now well placed to move forward with a leaner and more diversified business model. An equity refinancing package to support future growth was completed during the year ended 30th September 2013.

### **RESULTS**

The loss for the 18 month period ended 30th September 2012, after taxation amounted to (£216,606) (2011 - 12 month period £176,186 profit)

# **Southern Solar Limited**

## **Report of the Directors**

**for the 18 month period ended 30th September 2012**

### **DIRECTORS**

The directors who served during the 18 month period ended 30th September 2012 were,

Mr Howard Johns

Mr Simon Griffiths

Mr Luke Hutchison (resigned 25<sup>th</sup> May 2013)

Mr Robin Johns

Mr Graham Miller (appointed 1<sup>st</sup> January 2011 resigned 26<sup>th</sup> September 2012)

Triodos Corporate Officer Limited (appointed 28<sup>th</sup> September 2012)

### **Financial Risk Management**

The company's principal financial instruments comprise bank balances, trade creditors, trade debtors and finance lease agreements. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's trading activities.

Due to the nature of the financial instruments used, there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is described below. In respect of bank balances, the liquidity risk is managed by maintaining sufficient balances in liquid form for the immediate and future needs of the company.

There are leasing commitments. The directors are aware of the company's finance requirements and have determined that these will be repaid as and when they are due.

Trade debtors are managed in respect of credit and cash flow risk. The company regularly monitors credit limits and the terms offered to its customers.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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

Company law requires the directors to prepare financial statements for each financial year or period.

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 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 judgments and accounting estimates that are reasonable and prudent
- state whether United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business

## **Southern Solar Limited**

### **Report of the Directors** **for the 18 month period ended 30th September 2012**

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 assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that,

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

This report was approved by the board on 25th October 2013 and signed on its behalf



Mr Howard Johns

Managing Director

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHERN SOLAR LIMITED**

We have audited the financial statements on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective responsibilities of directors and auditor**

As more fully explained in the Directors' Responsibilities Statement on pages 3 and 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2012 and of its loss for the period 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.

The financial statements for the year ended 31<sup>st</sup> March 2011 were not subject to audit and consequently the corresponding figures are unaudited.

### **Emphasis of matter – Going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £229,857 during the period ended 30 September 2012 and following that date suffered a severe downturn in activity with a further significant loss in the subsequent accounting period. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHERN SOLAR LIMITED

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

*Baker Tilly UK Audit LLP*

ANTHONY SUMMERS (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Address

25 October 2013



## **Southern Solar Limited**

### **Profit and Loss Account**

**for the 18 month period ended 30th September 2012**

		18 months	12 months
		30 09 12	31 03 11
	Notes	£	£
<b>TURNOVER</b>	<b>1, 2</b>	12,698,222	6,327,713
Cost of Sales		<u>8,826,827</u>	<u>4,503,191</u>
<b>GROSS PROFIT</b>		3,871,395	1,824,522
Administrative Expenses		<u>4,100,048</u>	<u>1,600,118</u>
<b>OPERATING LOSS/PROFIT</b>	<b>3</b>	(228,653)	224,404
Interest payable and similar charges	<b>7</b>	<u>1,204</u>	<u>1,384</u>
<b>LOSS/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(229,857)	223,020
Tax on Loss/Profit on ordinary activities	<b>8</b>	(13,251)	46,834
<b>LOSS/PROFIT FOR THE PERIOD/YEAR</b>	<b>17</b>	<u><u>(216,606)</u></u>	<u><u>176,186</u></u>

The operating loss for the period arises from the company's continuing operations

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account

# **Southern Solar Limited**

**Registered number 04403959**

## **Balance Sheet**

**As at 30th September 2012**

	Notes	30 09 12 £	£	31 03 11 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		102,831		82,425
Investments	10		530		30
			<u>103,361</u>		<u>82,455</u>
<b>CURRENT ASSETS</b>					
Stocks	11	247,956		446,074	
Debtors	12	664,702		1,018,088	
Cash at bank and in hand		<u>21,284</u>		<u>167,366</u>	
		933,942		1,631,528	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>545,576</u>		<u>984,096</u>	
<b>NET CURRENT ASSETS</b>			<u>388,366</u>		<u>647,432</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			491,727		729,887
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		3,747		12,050
<b>PROVISION FOR LIABILITIES</b>	15		2,484		15,735
<b>NET ASSETS</b>			<u>485,496</u>		<u>702,102</u>
<b>CAPITAL AND RESEVES</b>					
Called up share capital	16		1,044		1,044
Share premium	17		336,153		336,153
Profit and loss account	17		148,299		364,905
<b>SHAREHOLDERS FUNDS</b>			<u>485,496</u>		<u>702,102</u>

The financial statements on pages 7 to 18 were approved by the Board of Directors on 25th October 2013 and were signed on its behalf by



Mr H D Johns - Managing Director

## **Southern Solar Limited**

### **Cash Flow Statement**

**for the 18 month period ended 30th September 2012**

		18 months	12 months
		30 09 12	31 03 11
	Notes	£	£
Net cash flow from operating activities	19	(12,465)	166,378
Returns on investments and servicing of finance	20	(1,204)	(1,384)
Taxation		(35,128)	(36,692)
Capital expenditure and financial investment	20	<u>(79,989)</u>	<u>(58,400)</u>
<b>CASH (OUTFLOW)/INFLOW BEFORE FINANCING</b>		<b>(128,786)</b>	<b>69,902</b>
Financing	20	(17,296)	(20,620)
<b>(DECREASE)/INCREASE IN CASH IN THE PERIOD/YEAR</b>		<b><u>(146,082)</u></b>	<b><u>49,282</u></b>

# **Southern Solar Limited**

## **Note to the Financial Statements** **for the 18 month period ended 30th September 2012**

### **1 ACCOUNTING POLICIES**

#### **Basis of Preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

#### **Going Concern**

The Financial Statements have been prepared under a going concern basis. The UK Government made a significant reduction in feed in tariffs in March 2012, which had a crippling effect on the solar industry. Demand for solar installations fell sharply and many companies failed to survive. As a result of these changes the company has undergone a significant restructure to reduce costs and refinanced to strengthen the balance sheet and provide working capital. A further loss occurred in the year ended 30th September 2013. However, the sales pipeline is strong and based on forward forecasts the directors expect a return to profitability in the year ended 30th September 2014. The directors are confident that the company is operating on a going concern basis.

#### **Turnover and Revenue Recognition**

Turnover, which arises wholly in the United Kingdom, is the amount derived from the provision of services falling within the company's ordinary activities after the deduction of Value Added Tax.

#### **Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures, fittings and equipment	25% on a reducing balance
	15% on a reducing balance
Motor vehicles	25% on a reducing balance
Computer equipment	33% on a reducing balance

#### **Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value. Dividends are brought into account in the profit and loss account when received.

#### **Hire Purchase and Leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their useful economic lives. Those held under finance leases are depreciated over their useful economic lives or the lease term, whichever is the shorter. The interest element of these obligations is charged to the Profit and Loss account over the relevant period. The capital element of future payments is treated as a liability. Rentals paid under operating leases are charged to the Profit and Loss account on a straight line basis over the period of the lease.

#### **Stocks**

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

# **Southern Solar Limited**

## **Note to the Financial Statements** **for the 18 month period ended 30th September 2012**

### **Deferred Tax**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

### **2 TURNOVER**

The whole of the turnover is attributable to its principle activity.  
All turnover arose within the United Kingdom.

### **3 OPERATING LOSS/PROFIT**

The Operating Loss/Profit is stated after charging

	18 months	12 months
	30 09 12	31 03 11
	£	£
Depreciation - owned assets	53,858	25,205
Depreciation - assets on hire purchase contracts	<u>9,875</u>	<u>10,182</u>
Directors' remuneration and other benefits etc	<u>233,350</u>	<u>134,002</u>

### **4 AUDITORS' REMUNERATION**

	18 months	12 months
	30 09 12	31 03 11
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>13,850</u>	<u>-</u>

### **5 STAFF COSTS**

Staff costs, including directors' remuneration, were as follows

	18 months	12 months
	30 09 12	31 03 11
	£	£
Wages and salaries	3,155,791	1,311,107
Social security costs	<u>306,571</u>	<u>120,176</u>
	<u>3,462,362</u>	<u>1,431,283</u>

# **Southern Solar Limited**

## **Note to the Financial Statements** **for the 18 month period ended 30th September 2012**

The average monthly number of employees, including the directors, during the 18 month period was as follows,

	18 months	12 months
	30 09 12	31 03 11
	No	No
Administration	44	28
Installation	35	25
	<u>79</u>	<u>53</u>

### **6 DIRECTORS' REMUNERATION**

	18 months	12 months
	30 09 12	31 03 11
	£	£
Emoluments	<u>233,350</u>	<u>138,323</u>

The highest paid director received remuneration of £89,326 (2011 - £47,162)

### **7 INTEREST PAYABLE**

	18 months	12 months
	30 09 12	31 03 11
	£	£
On bank loans and overdrafts	516	350
On finance leases and hire purchase contracts	688	1,034
	<u>1,204</u>	<u>1,384</u>

### **8 TAXATION**

#### **Analysis of the tax charge**

The tax charge on the loss/profit on ordinary activities for the period was as follows

	18 months	12 months
	30 09 12	31 03 11
	£	£
Current tax		
UK Corporation tax	-	35,128
Deferred tax	(13,251)	11,706
Tax on profit on ordinary activities	<u>(13,251)</u>	<u>46,834</u>

# **Southern Solar Limited**

## **Note to the Financial Statements** **for the 18 month period ended 30th September 2012**

### **Factors affecting tax charge for the year**

	18 months	12 months
	30 09 12	31 03 11
	£	£
(Loss)/Profit on ordinary activities before tax	(229,857)	223,020
Tax on (Loss)/Profit on ordinary activities at standard rate of 20%/21%	(45,971)	46,834
<b>Effects of</b>		
Expenses not deductible for tax purposes	268	-
Tax losses	47,108	-
Capital allowances in excess of depreciation	(1,405)	(11,706)
	-	-
Current tax charge for the period	<u>-</u>	<u>35,128</u>

A deferred tax asset has not been recognised on tax losses carried forward in accordance with the company's accounting policy

### **9 TANGIBLE FIXED ASSETS**

	Fixtures Fittings & Equipment £	Motor Vehicles £	Computer Equipment £	Totals £
<b>COST</b>				
As at 1st April 2011	32,727	9,580	120,661	162,968
Additions	450	-	83,689	84,139
As at 30th September 2012	<u>33,177</u>	<u>9,580</u>	<u>204,350</u>	<u>247,107</u>
<b>DEPRECIATION</b>				
As at 1st April 2011	14,113	8,373	58,057	80,543
Charge for the period	6,202	1,207	56,324	63,733
As at 30th September 2012	<u>20,315</u>	<u>9,580</u>	<u>114,381</u>	<u>144,276</u>
<b>NET BOOK VALUE</b>				
As at 30th September 2012	<u>12,862</u>	<u>-</u>	<u>89,969</u>	<u>102,831</u>
As at 31st March 2011	<u>18,614</u>	<u>1,207</u>	<u>62,604</u>	<u>82,425</u>

# **Southern Solar Limited**

## **Note to the Financial Statements** **for the 18 month period ended 30th September 2012**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Computer Equipment £
<b>COST</b>	
As at 1st April 2011	30,855
Additions	4,650
As at 30th September 2012	<u>35,505</u>
<b>DEPRECIATION</b>	
As at 1st April 2011	10,182
Charge for the period	9,875
As at 30th September 2012	<u>20,057</u>
<b>NET BOOK VALUE</b>	
As at 30th September 2012	<u>15,448</u>
As at 31st March 2011	<u>20,673</u>

### 10 **FIXED ASSET INVESTMENTS**

	Interest in Associate £	Shares £	Total £
<b>COST</b>			
As at 1st April 2011	30	-	30
Additions	-	500	500
As at 30th September 2012	<u>30</u>	<u>500</u>	<u>530</u>
<b>NET BOOK VALUE</b>			
As at 30th September 2012	<u>30</u>	<u>500</u>	<u>530</u>
As at 31st March 2011	<u>30</u>	<u>-</u>	<u>30</u>



# **Southern Solar Limited**

## **Note to the Financial Statements** **for the 18 month period ended 30th September 2012**

### **11 STOCKS**

	30 09 12 £	31 03 11 £
Finished goods and goods for resale	<u>247,956</u>	<u>446,074</u>

### **12 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30 09 12 £	31 03 11 £
Trade debtors	590,034	707,147
Amounts recoverable on contract	15,621	44,375
Other debtors	15,677	63,008
VAT	1,657	111,863
Prepayments	41,713	91,695
	<u>664,702</u>	<u>1,018,088</u>

### **13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30 09 12 £	31 03 11 £
Bank loans and overdrafts	-	3,600
Hire purchase contracts	9,142	9,885
Payments on account	30,228	205,969
Trade creditors	403,156	629,520
Tax	-	35,128
Social security and other taxes	89,200	40,981
Accruals and deferred income	13,850	59,013
	<u>545,576</u>	<u>984,096</u>

# Southern Solar Limited

## Note to the Financial Statements for the 18 month period ended 30th September 2012

### 14 CREDITORS· AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30 09 12 £	31 03 11 £
Hire purchase contracts	3,747	12,050
	<u>3,747</u>	<u>12,050</u>

### 15 DEFERRED TAXATION

	30 09 12 £	31 03 11 £
<u>Accelerated Capital Allowances</u>		
At beginning of period	15,735	4,029
(Released during)/charge for year	(13,251)	11,706
At end of period	<u>2,484</u>	<u>15,735</u>

### 16 CALLED UP SHARE CAPITAL

	30 09 12 £	31 03 11 £
Alloted, issued and fully paid		
Number                      Class                      Nominal Value		
104,374                      Ordinary                      £0 01	<u>1,044</u>	<u>1,044</u>

### 17 RESERVES

	Profit and loss Account £	Share Premium £	Total £
As at 1st April 2011	364,905	336,153	701,058
Loss for the period	(216,606)	-	(216,606)
As at 30th September 2012	<u>148,299</u>	<u>336,153</u>	<u>484,452</u>

# **Southern Solar Limited**

## **Note to the Financial Statements** **for the 18 month period ended 30th September 2012**

### **18 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	30 09 12 £	31 03 11 £
Opening shareholders' funds	702,102	525,916
(Loss)/profit for the period/year	(216,606)	176,186
Closing shareholders' funds	<u>485,496</u>	<u>702,102</u>

### **19 NET CASH FLOW FROM OPERATING ACTIVITIES**

	30 09 12 £	31 03 11 £
Operating (Loss)/profit	(228,653)	224,404
Depreciation of tangible fixed assets	63,733	35,387
Decrease/(increase) in stocks	198,118	(194,448)
Decrease/(increase) in debtors	353,386	(339,655)
(Decrease)/increase in creditors	(399,049)	440,690
Net cash (outflow)/inflow from operating activities	<u>(12,465)</u>	<u>166,378</u>

### **20 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	30 09 12 £	31 03 11 £
<b>RETURNS ON INVESTMENT AND SERVICING OF FINANCE</b>		
Interest paid	(516)	(350)
Hire purchase interest	(688)	(1,034)
Net cash (outflow) from returns on investments and servicing of finance	<u>(1,204)</u>	<u>(1,384)</u>

	30 09 12 £	31 03 11 £
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		
Purchase of tangible fixed assets	(79,489)	(58,400)
Investment	(500)	-
Net cash (outflow) from capital expenditure	<u>(79,989)</u>	<u>(58,400)</u>

# **Southern Solar Limited**

## **Note to the Financial Statements** **for the 18 month period ended 30th September 2012**

	30 09 12 £	31 03 11 £
<b>FINANCING</b>		
Repayment of loans	(3,600)	(11,700)
Repayment of Hire Purchase liability	<u>(13,696)</u>	<u>(8,920)</u>
Net cash (outflow) from financing	<u><u>(17,296)</u></u>	<u><u>(20,620)</u></u>

### 21 **ANALYSIS OF CHANGES IN NET FUNDS**

	01 04 11 £	Cash Flow £	30 09 12 £
Cash at bank and in hand	167,366	(146,082)	21,284
	<u>167,366</u>	<u>(146,082)</u>	<u>21,284</u>

### 22 **OPERATING LEASE COMMITMENTS**

At 30 September 2012 the company had annual commitments under non-cancellable operating leases as follows

	30 09 12 £	31 03 11 £
<b>EXPIRY DATE</b>		
Within 1 year	9,142	9,885
Between 2 and 5 years	<u>3,747</u>	<u>12,050</u>
	<u><u>12,889</u></u>	<u><u>21,935</u></u>

### 23 **RELATED PARTY DISCLOSURES**

During the 18 month period Mr G S Miller, a director of the company, received £36,407 in consultancy fees

### 24 **ULTIMATE CONTROLLING COMPANY**

The directors retain control of the company by virtue of their combined shareholdings