

Registered number: 07931240

Elke Solar Limited

**Directors' report and financial statements
for the year ended 31 December 2017**



Elke Solar Limited

Contents

	Page(s)
Company information	1
Directors' report	2 - 3
Statement of comprehensive income	4
Balance sheet	5
Statement of changes in equity	6
Notes to the financial statements	7 - 14

Elke Solar Limited

Company information

Directors	E Fellows R J Skinner
Company secretary	S Ludlow
Registered number	07931240
Registered office	6th Floor 33 Holborn London EC1N 2HT

Elke Solar Limited

Directors' report for the year ended 31 December 2017

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2017.

Principal activities

Until 5 May 2017, the company was the parent of a company whose principal activity was that of construction and operation of a solar plant and the generation of solar power. The company has no ongoing trade.

Going concern

The financial statements have been prepared on the going concern basis. The directors have prepared forecasts and reviewed capital requirements for the twelve months from the date of approving these financial statements, which indicate the business can continue to trade for at least twelve months.

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise indicated, are given below:

E Fellows (appointed 14 August 2017)
S Goss (resigned 14 August 2017)
P S Latham (resigned 14 August 2017)
T J Rosser (resigned 14 August 2017)
R J Skinner (appointed 14 August 2017)

Statement of directors' responsibilities

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

Elke Solar Limited

Directors' report for the year ended 31 December 2017

Small company exemption

In preparing this report, the directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a strategic report.

This report was approved by the board on 28 September 2018 and signed on its behalf.



**R J Skinner
Director**

Elke Solar Limited

Statement of comprehensive income for the year ended 31 December 2017

	2017 £	2016 £
Cost of sales	(186)	9,553
Gross (loss)/profit	(186)	9,553
Administrative (expenses)/income	(942,374)	152,873
Gain on disposal of investments	6,703	-
Operating (loss)/profit	(935,857)	162,426
Interest receivable and similar income	284,589	758,162
Interest payable and similar charges	(306)	(186)
(Loss)/profit on ordinary activities before taxation	(651,574)	920,402
Tax on (loss)/profit on ordinary activities	(54,734)	-
(Loss)/profit for the financial year	(706,308)	920,402

All amounts above relate to continuing operations.

The company has no items of other comprehensive income for the current or preceding financial year. Therefore no separate statement of other comprehensive income has been presented.

The notes on pages 7 to 14 form part of these financial statements.

Balance sheet
as at 31 December 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible fixed assets	4	-	-	9,781	
Investments	5	-	-	-	
				<u>9,781</u>	
Current assets					
Debtors: amounts falling due after more than one year	6	-	10,144,032		
Debtors: amounts falling due within one year	6	55,714	814,160		
Cash at bank and in hand		<u>118,820</u>	<u>24,000</u>		
		<u>174,534</u>	<u>10,982,192</u>		
Creditors: amounts falling due within one year	7	<u>(136,685)</u>	<u>(273,093)</u>		
Net current assets			<u>37,849</u>		<u>10,709,099</u>
Net assets			<u><u>37,849</u></u>		<u><u>10,718,880</u></u>
Capital and reserves					
Called up share capital	8	826	91,186		
Share premium account		79,307	8,753,879		
Retained earnings		(42,284)	1,873,815		
Total shareholders' funds			<u><u>37,849</u></u>		<u><u>10,718,880</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" as amended by Section 1A "Small Entities".

For the year ending 31 December 2017, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the 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 on

28 September 2018.

R J Skinner
Director



The notes on pages 7 to 14 form part of these financial statements.

Elke Solar Limited

Statement of changes in equity for the year ended 31 December 2017

	Called up share capital £	Share premium account £	Retained earnings £	Total shareholders' funds £
At 1 January 2017	91,186	8,753,879	1,873,815	10,718,880
Loss for the financial year	-	-	(706,308)	(706,308)
Reduction in share capital	(90,360)	(8,674,572)	8,764,932	-
Dividends paid	-	-	(9,894,415)	(9,894,415)
Other movements	-	-	(80,308)	(80,308)
At 31 December 2017	<u>826</u>	<u>79,307</u>	<u>(42,284)</u>	<u>37,849</u>

Statement of changes in equity for the year ended 31 December 2016

	Called up share capital £	Share premium account £	Retained earnings £	Total shareholders' funds £
At 1 January 2016	91,186	8,753,879	953,413	9,798,478
Profit for the financial year	-	-	920,402	920,402
At 31 December 2016	<u>91,186</u>	<u>8,753,879</u>	<u>1,873,815</u>	<u>10,718,880</u>

The notes on pages 7 to 14 form part of these financial statements.

Elke Solar Limited

Notes to the financial statements for the year ended 31 December 2017

1. General information

Elke Solar Limited is a private company, limited by shares, incorporated in and domiciled in England, the United Kingdom, registered number 07931240. The registered office is 6th Floor, 33 Holborn, London, EC1N 2HT.

Until 5 May 2017, the company was the parent of a company whose principal activity was that of construction and operation of a solar plant and the generation of solar power. The company has no ongoing trade.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared on the going concern basis, under the historical cost convention 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 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. No critical judgements have been applied to these financial statements.

The following principal accounting policies have been applied:

2.2 Exemptions for qualifying under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company;
- from disclosing the company's key management personnel compensation as required by FRS 102 para 33.7; and
- from disclosing related party transactions that are wholly owned within the same group.

2.3 Going concern

The financial statements have been prepared on the going concern basis. The directors have prepared forecasts and reviewed capital requirements for the twelve months from the date of approving these financial statements, which indicate the business can continue to trade for at least twelve months.

Elke Solar Limited

Notes to the financial statements for the year ended 31 December 2017

2. Accounting policies (continued)

2.4 Foreign currency

(i) Functional and presentation currency

The company's functional and presentation currency is the pound sterling.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income within administrative expenses.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.6 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

Elke Solar Limited

Notes to the financial statements for the year ended 31 December 2017

2. Accounting policies (continued)

2.8 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

2.9 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of comprehensive income. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Plant and machinery	- 4% and 10% straight-line
---------------------	----------------------------

2.10 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

2.11 Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of comprehensive income, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Statement of comprehensive income.

Elke Solar Limited

Notes to the financial statements for the year ended 31 December 2017

2. Accounting policies (continued)

2.11 Impairment of non-financial assets (continued)

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of comprehensive income.

2.12 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Elke Solar Limited

Notes to the financial statements for the year ended 31 December 2017

2. Accounting policies (continued)

2.13 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such on the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Statement of comprehensive income. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2.14 Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

Elke Solar Limited

Notes to the financial statements for the year ended 31 December 2017

3. Employees and directors' remuneration

The company has no employees other than the directors, who did not receive or waive any remuneration (2016: £nil).

4. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2017	11,185
Disposals	(11,185)
At 31 December 2017	-
Accumulated depreciation	
At 1 January 2017	1,404
Disposals	(1,404)
At 31 December 2017	-
Net book value	
At 31 December 2017	-
At 31 December 2016	9,781

5. Investments

Subsidiary undertakings

The company owned 100% of the ordinary share capital of Lodge Farm Solar Ltd a company registered in England and Wales. On 5 May 2017, the company sold their investment in Lodge Farm Solar Ltd for a consideration of £16,372 resulting in a profit on disposal of £6,703.

Elke Solar Limited

Notes to the financial statements for the year ended 31 December 2017

6. Debtors

	2017	2016
	£	£
Amounts falling due after one year		
Amounts owed by group undertakings	-	10,144,032

Included within amounts owed by group undertakings after more than one year are unsecured loans with year end balances totalling £nil (2016: £10,144,032). The loan bears interest at 0% (2016: 8%).

Amounts falling due within one year

Trade debtors	55,632	-
Other debtors	82	55,999
Prepayments and accrued income	-	758,161
	55,714	814,160

7. Creditors - amounts falling due within one year

	2017	2016
	£	£
Trade creditors	-	270,403
Other creditors	81,951	-
Corporation tax	54,734	-
Accruals and deferred income	-	2,690
	136,685	273,093

8. Called up share capital

	2017	2016
	£	£
Allotted, called up and fully paid		
82,612 (2016: 9,118,625) Ordinary shares of £0.01	826	91,186

On 23 May 2017, the company reduced its ordinary share capital by 9,036,013 shares, at a par value of £0.01 per share. This resulted in a reduction of share capital of £90,360 and share premium of £8,674,572.

Elke Solar Limited

Notes to the financial statements for the year ended 31 December 2017

9. Related party transactions

The company has identified the following transactions which are to be disclosed under the terms of FRS 102 "Related party transactions".

During the year, the company was charged expenses of £427 (2016: £nil) by Octopus Investments Limited, a related party due to its significant influence over the entity. At the year end, no amount was outstanding (2016: £nil).

10. Ultimate parent undertaking and controlling party

The immediate parent company is TM Trading Limited, a company incorporated in England and Wales. There is no ultimate parent company.