

Abbreviated Accounts

Adala Solar Limited

For the period ended 31 December 2012



Registered number: 07931274

Adala Solar Limited

Company information

Directors	C R Hulatt P McCartie
Company secretary	T J Spevack
Company number	07931274
Registered office	4th Floor 20 Old Bailey LONDON EC4M 7AN
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 3140 Rowan Place John Smith Drive Oxford Business Park South OXFORD OX4 2WB
Bankers	Coutts & Co 440 Strand LONDON WC2R 0QS
Solicitors	SGH Martineau LLP No 1 Colmore Square BIRMINGHAM B4 6AA

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Independent Auditor's Report to Adala Solar Limited

Under section 449 of the Companies Act 2006

We have examined the abbreviated accounts, which comprise the Balance sheet and the related notes, together with the financial statements of Adala Solar Limited for the period ended 31 December 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion on financial statements

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts which comprise the Balance sheet and the related notes have been properly prepared in accordance with the regulations made under that section.

Grant Thornton UK LLP

Tracey James (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
OXFORD
Date 2 July 2013

Abbreviated Balance Sheet

As at 31 December 2012

	Note	£	2012 £
Fixed assets			
Tangible assets	2		14,158
Investments	3		1
			<u>14,159</u>
Current assets			
Debtors		1,575,120	
Cash at bank		500,245	
		<u>2,075,365</u>	
Creditors' amounts falling due within one year		<u>(115,397)</u>	
Net current assets			<u>1,959,968</u>
Total assets less current liabilities			<u>1,974,127</u>
Creditors' amounts falling due after more than one year	4		<u>(600,000)</u>
Net assets			<u><u>1,374,127</u></u>
Capital and reserves			
Called up share capital	5		14,000
Share premium account			1,337,000
Profit and loss account			23,127
Shareholders' funds			<u><u>1,374,127</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf by



C R Hulatt
Director

Date 10.7.2013

The notes on pages 3 to 5 form part of these financial statements

Notes to the Abbreviated Accounts

For the period ended 31 December 2012

1. Accounting Policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Consolidation

In the opinion of the directors, the company and its subsidiary undertaking constitute a small group. The company has therefore taken advantage of the exemption provided by section 398 of the Companies Act 2006 not to prepare group accounts.

1.3 Turnover

Turnover comprises income receivable from the energy generated during the period. Any uninvoyced income is accrued in the period in which it has been generated.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. 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:

Other fixed assets	-	4 % and 10% straight line
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Other fixed assets represents the costs of construction of solar plants: solar panels, civil/structural and electrical costs, grid connection, planning and professional fees capitalised and depreciated at 4% per annum on a straight line basis. Costs of transformers, inverters and cabling are being depreciated at 10% per annum on a straight line basis.

1.5 Investments

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

1.6 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 in the Balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Profit and loss account. 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 then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Notes to the Abbreviated Accounts

For the period ended 31 December 2012

1. Accounting Policies (continued)

1.7 Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

2. Tangible fixed assets

	£
Cost	
At 1 February 2012	-
Additions	14,256
At 31 December 2012	<u>14,256</u>
Depreciation	
At 1 February 2012	-
Charge for the period	98
At 31 December 2012	<u>98</u>
Net book value	
At 31 December 2012	<u><u>14,158</u></u>

3. Fixed asset investments

	£
Cost	
At 1 February 2012	-
Additions	1
At 31 December 2012	<u>1</u>
Net book value	
At 31 December 2012	<u><u>1</u></u>

On 3 July 2012, the company acquired 100% of the ordinary share capital of Lightsource SPV 33 Limited, a company incorporated in England and Wales with capital and reserves at 31 December 2012 of £121,608 in deficit and a loss for the period ended 31 December 2012 of £121,609.

Notes to the Abbreviated Accounts

For the period ended 31 December 2012

4. Creditors:

Amounts falling due after more than one year

Included within Other loans is an amount of £600,000 which is secured by a fixed and floating charge over the assets of the company

5. Share capital

2012

£

Allotted, called up and fully paid

1,400,020 Ordinary shares of £0.01 each

14,000

Upon incorporation on 1 February 2012 the company issued 1 Ordinary share for £0.01

On 21 March 2012, the company issued 19 Ordinary shares for £0.01 each

On 21 March 2012, the company issued 906,500 Ordinary shares for £1 per share. The difference between the cash received and the nominal value, being £897,435, has been credited to the share premium account. Arrangement fees of £31,728 have been deducted from the balance on share premium.

On 5 April 2012, the company issued 493,500 Ordinary shares for £1 per share. The difference between the cash received and the nominal value, being £488,565, has been credited to the share premium account. Arrangement fees of £17,272 have been deducted from the balance on share premium.

Arrangement fees were paid to a related party, Octopus Investments Limited, as disclosed within the related party transactions note to the financial statements.

6. Related party transactions

During the period, the company was charged £20,000 and £78,898 in respect of project development and rechargeable expenses respectively by Lightsource Renewable Energy Limited, a related party due to its significant influence over the entity. At the period end, an amount of £40,317 was outstanding which is included in trade creditors.

In the period ended 31 December 2012, arrangement fees of £70,000 were charged by Octopus Investments Limited, a related party due to its significant influence over the entity. Octopus Investments Limited also recharged legal fees totalling £1,680 to the company. At 31 December 2012, £2,016 was outstanding which is included in trade creditors.

During the period the company met expenditure of £1,435,553 and received revenue of £10,531 on behalf of its wholly owned subsidiary company, Lightsource SPV 33 Limited. The company also charged Lightsource SPV 33 Limited interest totalling £120,789. At the period end, a total of £1,545,508 is included within debtors.

During the period the company received loans totalling £600,000 from shareholders. Interest of £69,217 has been charged during the period. The total amounts owing to the shareholders at the end of the period was £669,217.