

Registered number: 08044706

MSP Tregassow Limited

**Annual report and unaudited financial statements
For the year ended 30 June 2022**

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MSP Tregassow Limited

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MSP Tregassow Limited

Company information

Directors

Thomas James Rosser
Harry Peter Manisty
Laura Gemma Halstead

Company secretary

Octopus Company Secretarial Services Limited

Registered number

08044706

Registered office

6th Floor
33 Holborn
London
England
EC1N 2HT

MSP Tregassow Limited

Directors' report for the year ended 30 June 2022

The directors present their report and the unaudited financial statements of MSP Tregassow Limited (the "Company") for the year ended 30 June 2022.

Principal activities

The principal activity of the Company is the operation of solar plants for the generation of solar power.

Results

The profit for the year amounted to £512,681 (2021: £93,591) and at the year end the Company had net liabilities of £1,251,028 (2021: £1,763,709).

Going concern

The directors recognise the financial situation of the Company evidenced by the net deficit in the shareholder's funds of £1,251,028 (2021: £1,763,709).

The financial statements have been prepared on the going concern basis. The directors have assessed the Company's ability to meet its liabilities as they fall due, including a review of the effect of the ongoing Ukraine-Russia conflict, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, which has driven a sharp increase in volatility across markets.

The directors have determined that based on recent trading of the Company and revised projections, the above events are not expected to have a detrimental impact on the Company's business. Further, the ultimate controlling party, Fern Trading Limited, will continue to support the operations of the Company for a period of at least 12 months from the date on which the financial statements are approved. The directors will continue to monitor the situation and take any necessary actions to minimise the possible negative impact of these events.

Directors of the Company

The directors who served during the financial year ended 30 June 2022 and up to the date of signing the financial statements, unless otherwise indicated, are given below:

Thomas James Rosser
Harry Peter Manisty
Laura Gemma Halstead

Qualifying third party indemnity provision

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

MSP Tregassow Limited

Directors' report for the year ended 30 June 2022 (continued)

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 United Kingdom 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;
- 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.

Audit exemption

The directors consider that the Company is entitled to an exemption from the requirement to have an audit under section 479A of the Companies Act 2006. Under the provisions of section 479C of the Companies Act 2006, Fern Trading Limited, the ultimate parent company, has given a statutory guarantee of all the outstanding liabilities to which the Company is subject at 30 June 2022.

Small company exemption

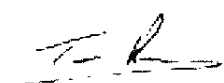
In preparing this report, the directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006.

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.

Events since the Balance sheet date

There have been no material adjusting or disclosable events since the financial year end.

This report was approved by the board on 21 March 2023 and signed on its behalf:



Thomas James Rosser
Director

MSP Tregassow Limited

Statement of income and retained earnings for the year ended 30 June 2022

	Note	2022 £	2021 £
Turnover	4	1,427,157	846,171
Cost of sales		(578,253)	(521,174)
Gross profit		848,904	324,997
Administrative expenses		(85,747)	(99,417)
Operating profit		763,157	225,580
Interest payable	6	(169,116)	(184,733)
Profit before taxation		594,041	40,847
Taxation	7	(81,360)	52,744
Profit for the financial year		512,681	93,591
Retained losses at the beginning of the year		(1,763,719)	(1,857,310)
Profit for the financial year		512,681	93,591
Retained losses at the end of the year		(1,251,038)	(1,763,719)

All activities of the Company are from 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 6 to 14 form an integral part of these financial statements.

Balance sheet
as at 30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	8	3,951,286	3,939,884
Current assets			
Debtors: amounts falling due within one year	9	429,322	541,162
Creditors: amounts falling due within one year	10	(5,368,600)	(6,244,755)
Net current liabilities		(4,939,278)	(5,703,593)
Total assets less current liabilities		(987,992)	(1,763,709)
Provisions	11	(263,036)	-
Net liabilities		(1,251,028)	(1,763,709)
Capital and reserves			
Called-up share capital	12	10	10
Accumulated losses		(1,251,038)	(1,763,719)
Total shareholder's deficit		(1,251,028)	(1,763,709)

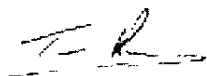
For the year ended 30 June 2022, the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 and authorised for issue by the board and were signed on its behalf on 21 March 2023.



Thomas James Rosser
Director

The notes on pages 6 to 14 form an integral part of these financial statements.

MSP Tregassow Limited

Notes to the financial statements for the year ended 30 June 2022

1. General information

MSP Tregassow Limited is a private company, limited by shares, incorporated and domiciled in England, the United Kingdom, registered number: 08044706. The registered office is at 6th Floor, 33 Holborn, London, England, EC1N 2HT.

The principal activity of the Company is the operation of solar plants for the generation of solar power.

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 United Kingdom 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 judgment in applying the Company's accounting policies (see note 3).

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

The following principal accounting policies have been applied:

2.2 Exemptions for qualifying entities under FRS 102

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group.

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 paragraph 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 paragraph 33.7; and
- from disclosing related party transactions that are wholly owned within the same group as required by FRS 102 paragraph 33.8.

2.3 Going concern

The financial statements have been prepared on the going concern basis. The directors have assessed the Company's ability to meet its liabilities as they fall due, including a review of the effect of the ongoing Ukraine-Russia conflict, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, which has driven a sharp increase in volatility across markets.

MSP Tregassow Limited

Notes to the financial statements for the year ended 30 June 2022 (continued)

2. Accounting policies (continued)

2.3 Going concern (continued)

The directors have determined that based on recent trading of the Company and revised projections, the above events are not expected to have a detrimental impact on the Company's business. Further, the ultimate controlling party, Fern Trading Limited, will continue to support the operations of the Company for a period of at least 12 months from the date on which the financial statements are approved. The directors will continue to monitor the situation and take any necessary actions to minimise the possible negative impact of these events.

2.4 Turnover

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.

Revenue is derived from the electricity generated by solar farms and is recognised on an accrual basis in the period in which it is generated.

2.5 Interest expense

Interest expense is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to its net carrying amount.

2.6 Tangible assets

Tangible 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 and an estimate of the costs of dismantling and removing the item, and restoring the site if required.

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 assets are derecognised at the earliest of the date of disposal or at the point 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 Income and retained earnings.

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:

Long-term leasehold property	Over the period of the lease
Plant and machinery	4% and 10% straight line

2.7 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).

MSP Tregassow Limited

Notes to the financial statements for the year ended 30 June 2022 (continued)

2. Accounting policies (continued)

2.7 Impairment of non-financial assets (continued)

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 income and retained earnings, 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 income and retained earnings.

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 income and retained earnings.

2.8 Operating leases

Rentals under operating leases are charged to the Statement of income and retained earnings on a straight-line basis over the lease term.

2.9 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of income and retained earnings, 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.

**Notes to the financial statements
for the year ended 30 June 2022 (continued)**

2. Accounting policies (continued)

2.10 Financial instruments

(i) Financial assets

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.

Financial assets that are 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 Statement of income and retained earnings.

For financial assets measured at cost and amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a 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.

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

(ii) 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 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 income and retained earnings. 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 that is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

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.

2.11 Provisions

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

MSP Tregassow Limited

Notes to the financial statements for the year ended 30 June 2022 (continued)

2. Accounting policies (continued)

2.11 Provisions (continued)

Provision for decommissioning is recognised in full against a corresponding decommissioning asset, at the commencement of production. The amount recognised is the discounted value of the estimated future expenditure determined in accordance with local conditions and requirements. Any movement in the provision is recognised in the Statement of income and retained earnings in the year. Any change in the present value of the estimated expenditure is reflected in an adjustment to the provision.

2.12 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.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Company's accounting policies

There are no critical judgements in applying the Company's accounting policies.

(b) Critical accounting estimates and assumptions

The key estimates in preparing these financial statements are:

(i) Provision for decommissioning costs

The provision for decommissioning costs is measured at management's best estimate of the present value of the expenditure required to settle the future obligation. This estimate is determined in accordance with local conditions and requirements, using a discount rate of 2.65% reflecting the time value of money and the risks specific to the obligation, based on management's judgement (see note 11).

4. Turnover

During the financial year, the Company's revenue was earned from the generation of electricity in the United Kingdom.

5. Employees and directors' remuneration

The Company had no employees during the year (2021: none). The directors did not receive or waive any remuneration (2021: £nil).

6. Interest payable

	2022 £	2021 £
Interest payable to group undertakings	<u>169,116</u>	<u>184,733</u>

MSP Tregassow Limited

Notes to the financial statements for the year ended 30 June 2022 (continued)

7. Taxation

	2022 £	2021 £
Current tax:		
United Kingdom corporation tax on profits for the year	100,412	19,052
Adjustments in respect of previous years	(19,052)	(71,796)
Total current tax	81,360	(52,744)

Factors affecting tax charge/(credit) for the year

The tax assessed for the year is lower (2021: lower) than the standard rate of corporation tax in the United Kingdom of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Profit before taxation	594,041	40,847
Tax on profit at standard corporation tax rate of 19% (2021: 19%)	112,868	7,761
Effects of:		
Expenses not deductible	2,279	21,849
Adjustments in respect of previous years	(19,052)	(71,796)
Deferred tax not provided	(14,735)	(10,558)
Total tax charge/(credit) for the year	81,360	(52,744)

Factors that may affect future tax charges

The Finance Act 2021 enacted on 10 June 2021 increased the main rate of United Kingdom corporation tax from 19% to 25%, effective from 1 April 2023.

The deferred tax asset is unrecognised because it is more likely than not that there will be insufficient taxable profit in future to recover the asset.

MSP Tregassow Limited

**Notes to the financial statements
for the year ended 30 June 2022 (continued)**

8. Tangible assets

	Long-term leasehold property £	Plant and machinery £	Total £
Cost			
At 1 July 2021	97,897	6,598,374	6,696,271
Additions	-	355,186	355,186
At 30 June 2022	97,897	6,953,560	7,051,457
Accumulated depreciation			
At 1 July 2021	30,556	2,725,831	2,756,387
Charge during the financial year	3,916	339,868	343,784
At 30 June 2022	34,472	3,065,699	3,100,171
Net book value			
At 30 June 2022	63,425	3,887,861	3,951,286
At 30 June 2021	67,341	3,872,543	3,939,884

9. Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	873	14,400
Corporation tax receivable	8,939	90,299
Prepayments and accrued income	419,510	427,682
Other debtors	-	8,781
	429,322	541,162

10. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	18	496
Amounts owed to group undertakings	5,204,923	6,131,146
Accruals and deferred income	71,174	63,489
Other creditors	92,485	49,624
	5,368,600	6,244,755

Amounts owed to group undertakings are unsecured loans with year end balances amounting to £5,204,923 (2021: £6,131,146). The loans bear interest at 3% (2021: 3%) and are repayable on demand.

MSP Tregassow Limited

Notes to the financial statements for the year ended 30 June 2022 (continued)

11. Provisions

	Decommissioning provision £
At 1 July 2021	-
Additional provisions for the financial year (note 8)	263,036
At 30 June 2022	263,036

A decommissioning provision has been recognised in the year to provide for the future costs of decommissioning the solar plants owned by the Company in order to generate solar power.

The provision has been created as of 30 June 2022 and discounted at an annual rate of 2.65%. This discount will be unwound and charged to the Statement of income and retained earnings until 10 April 2038, as the estimated date of decommissioning.

12. Called-up share capital

	2022 £	2021 £
Allotted, called-up and fully paid		
1,020 (2021: 1,020) ordinary shares of £0.01 each	10	10

13. Operating lease commitments

For the year ended 30 June 2022, the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Payment due:		
Not later than one year	55,058	51,055
Later than one year and not later than five years	220,232	204,220
Later than five years	594,632	602,450
	869,922	857,725

Lease arrangements relates to land on which solar sites are built.

14. Related party transactions

The Company has taken advantage of the exemption under paragraph 33.1A from the provisions of FRS 102, on the grounds that as at the year ended 30 June 2022 it was a wholly owned subsidiary.

MSP Tregassow Limited

Notes to the financial statements for the year ended 30 June 2022 (continued)

15. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Viners Energy Limited, a company incorporated in the United Kingdom. Viners Energy Limited is the smallest group to consolidate these financial statements.

The ultimate parent undertaking as at the year ended 30 June 2022 was Fern Trading Limited, a company incorporated in England, the United Kingdom. Fern Trading Limited is the largest group of undertakings to consolidate these financial statements. Copies of Fern Trading Limited's consolidated financial statements can be obtained from the Company Secretary at 6th Floor, 33 Holborn, London, England, EC1N 2HT.

16. Events since the Balance sheet date

There have been no material adjusting or disclosable events since the financial year end.