

Registered number: 08316670

**Claramond Solar SPV 1 Limited**

**Directors' report and financial statements  
for the year ended 30 June 2019**



# **Claramond Solar SPV 1 Limited**

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## **Claramond Solar SPV 1 Limited**

### **Company information**

|                             |  |
|-----------------------------|--|
| <b>Directors</b>            | C P Gaydon<br>S M Grant<br>D Hastings<br>P S Latham<br>T J Rosser  |
| <b>Company secretary</b>    | Octopus Company Secretarial Services Limited   |
| <b>Registered number</b>    | 08316670   |
| <b>Registered office</b>    | 6th Floor<br>33 Holborn<br>London<br>EC1N 2HT  |
| <b>Independent auditors</b> | PricewaterhouseCoopers LLP<br>Chartered Accountants and Statutory Auditors<br>Central Square South<br>Orchard Street<br>Newcastle upon Tyne<br>NE1 3AZ |

## **Claramond Solar SPV 1 Limited**

### **Directors' report for the year ended 30 June 2019**

The directors present their report and the audited financial statements of the company for the year ended 30 June 2019.

#### **Principal activities**

The principal activity of the company are construction and operation of solar plants and the generation of solar power.

#### **Going concern**

The directors believe that preparing the financial statements on a going concern basis is appropriate as the ultimate controlling party, Fern Trading Limited, has indicated their willingness to 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.

#### **Directors**

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

C P Gaydon (appointed 6 August 2018)

S Goss (resigned 6 August 2018)

S M Grant (appointed 6 August 2018)

D Hastings (appointed 21 December 2018)

P S Latham

F Malvezzi Campeggi (appointed 6 August 2018) (resigned 21 December 2018)

T J Rosser (resigned 6 August 2018) (reappointed 17 April 2019)

#### **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 these 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.

## **Claramond Solar SPV 1 Limited**

### **Directors' report for the year ended 30 June 2019**

#### **Statement of disclosure of information to auditors**

Each of the persons who are directors at the time of approval of this report 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 relevant audit information and to establish that the company's auditors are aware of that information.

#### **Independent auditors**

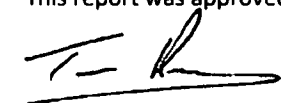
The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### **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 9 October 2019 and signed on its behalf.



**T J Rosser**  
**Director**

## **Claramond Solar SPV 1 Limited**

### **Independent auditors' report to the members of Claramond Solar SPV 1 Limited**

#### **Report on the audit of the financial statements**

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##### **Opinion**

In our opinion, Claramond Solar SPV 1 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared 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", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements (the "Annual Report"), which comprise: the Balance sheet as at 30 June 2019; the statement of comprehensive income; the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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##### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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##### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

## **Claramond Solar SPV 1 Limited**

### **Independent auditors' report to the members of Claramond Solar SPV 1 Limited**

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#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

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#### **Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 30 June 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

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#### **Responsibilities for the financial statements and the audit**

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##### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is 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.

## **Claramond Solar SPV 1 Limited**

### **Independent auditors' report to the members of Claramond Solar SPV 1 Limited**

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#### **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 an auditors' report 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

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#### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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#### **Other required reporting**

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##### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

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#### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jonathan Greenaway (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne  
Date: 9 October 2019



## Claramond Solar SPV 1 Limited

### Statement of comprehensive income for the year ended 30 June 2019

|  | 2019<br>£      | 2018<br>£        |
|--|----------------|------------------|
| Turnover   | 1,251,865      | 1,173,922        |
| Cost of sales  | (698,621)      | (712,811)        |
| <b>Gross profit</b>  | <b>553,244</b> | <b>461,111</b>   |
| Administrative expenses  | (134,696)      | (133,562)        |
| Other operating income   | 35,597         | -                |
| <b>Operating profit</b>  | <b>454,145</b> | <b>327,549</b>   |
| Interest payable and similar charges (excluding exceptional items) | (314,817)      | (486,337)        |
| Exceptional interest payable and similar charges                   | -              | (146,466)        |
| <b>Profit/(loss) on ordinary activities before taxation</b>        | <b>139,328</b> | <b>(305,254)</b> |
| Tax on profit/(loss) on ordinary activities                        | 147,256        | -                |
| <b>Profit/(loss) for the financial year</b>                        | <b>286,584</b> | <b>(305,254)</b> |
| <b>Other comprehensive income for the year</b>                     |                |                  |
| Change in the value of hedging instrument                          | -              | 51,439           |
| Loss on discontinued cashflow hedge recycled to exceptional costs  | -              | 146,466          |
| <b>Other comprehensive income for the year</b>                     | <b>-</b>       | <b>197,905</b>   |
| <b>Total comprehensive income/(expense) for the year</b>           | <b>286,584</b> | <b>(107,349)</b> |

All amounts above relate to continuing operations.

The notes on pages 10 to 18 form part of these financial statements.

**Balance sheet**  
**as at 30 June 2019**

|  | Note | 2019<br>£           | 2019<br>£          | 2018<br>£           | 2018<br>£          |
|--|------|---------------------|--------------------|---------------------|--------------------|
| <b>Fixed assets</b>                            |      |                     |                    |                     |                    |
| Tangible fixed assets                          | 4    |                     | 6,736,648          |                     | 7,238,739          |
| <b>Current assets</b>                          |      |                     |                    |                     |                    |
| Debtors  | 5    | 559,582             |                    | 534,816             |                    |
| Creditors: amounts falling due within one year | 6    | <u>(10,307,521)</u> |                    | <u>(11,071,430)</u> |                    |
| <b>Net current liabilities</b>                 |      |                     | (9,747,939)        |                     | (10,536,614)       |
| <b>Net liabilities</b>                         |      |                     | <u>(3,011,291)</u> |                     | <u>(3,297,875)</u> |
| <b>Capital and Reserves</b>                    |      |                     |                    |                     |                    |
| Called up share capital                        | 7    |                     | 10                 |                     | 10                 |
| Retained earnings                              |      |                     | (3,011,301)        |                     | (3,297,885)        |
| <b>Total shareholders' deficit</b>             |      |                     | <u>(3,011,291)</u> |                     | <u>(3,297,875)</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 companies".

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 October 2019.

T J Rosser  
Director



The notes on pages 10 to 18 form part of these financial statements.

## Claramond Solar SPV 1 Limited

### Statement of changes in equity for the year ended 30 June 2019

|                               | Called up<br>share capital<br>£ | Cash flow<br>hedge<br>reserve<br>£ | Retained<br>earnings<br>£ | Total<br>shareholders'<br>funds<br>£ |
|-------------------------------|---------------------------------|------------------------------------|---------------------------|--------------------------------------|
| At 1 July 2018                | 10                              | -                                  | (3,297,885)               | (3,297,875)                          |
| Profit for the financial year | -                               | -                                  | 286,584                   | 286,584                              |
| <b>At 30 June 2019</b>        | <b>10</b>                       | <b>-</b>                           | <b>(3,011,301)</b>        | <b>(3,011,291)</b>                   |

### Statement of changes in equity for the year ended 30 June 2018

|  | Called up<br>share capital<br>£ | Cash flow<br>hedge<br>reserve<br>£ | Retained<br>earnings<br>£ | Total<br>shareholders'<br>funds<br>£ |
|--|---------------------------------|------------------------------------|---------------------------|--------------------------------------|
| At 1 July 2017   | 10                              | (197,905)                          | (2,992,631)               | (3,190,526)                          |
| Loss for the financial year  | -                               | -                                  | (305,254)                 | (305,254)                            |
| Change in value of hedging instrument                                | -                               | 51,439                             | -                         | 51,439                               |
| Loss on discontinued cashflow hedge<br>recycled to exceptional costs | -                               | 146,466                            | -                         | 146,466                              |
| <b>At 30 June 2018</b>   | <b>10</b>                       | <b>-</b>                           | <b>(3,297,885)</b>        | <b>(3,297,875)</b>                   |

The notes on pages 10 to 18 form part of these financial statements.

## **Claramond Solar SPV 1 Limited**

### **Notes to the financial statements for the year ended 30 June 2019**

#### **1. General information**

Claramond Solar SPV 1 Limited is a private company, limited by shares, incorporated in and domiciled in England, the United Kingdom, registered number: 08316668. The registered office is 6th Floor, 33 Holborn, London, EC1N 2HT.

The principal activity of the company are construction and operation of solar plants and 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 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 directors believe that preparing the financial statements on a going concern basis is appropriate as the ultimate controlling party, Fern Trading Limited, has indicated their willingness to 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.

## **Claramond Solar SPV 1 Limited**

### **Notes to the financial statements for the year ended 30 June 2019**

#### **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; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## **Claramond Solar SPV 1 Limited**

### **Notes to the financial statements for the year ended 30 June 2019**

#### **2. Accounting policies (continued)**

##### **2.6 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:

|                              |                            |
|------------------------------|----------------------------|
| Long-term leasehold property | - 4% straight-line         |
| 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).

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 profit and loss account, 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 profit and loss account.

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.

## **Claramond Solar SPV 1 Limited**

### **Notes to the financial statements for the year ended 30 June 2019**

#### **2. Accounting policies (continued)**

##### **2.8 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **2.9 Operating leases**

Rentals under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term.

##### **2.10 Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, 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.

## **Claramond Solar SPV 1 Limited**

### **Notes to the financial statements for the year ended 30 June 2019**

#### **2. Accounting policies (continued)**

##### **2.11 Financial instruments**

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 comprehensive income.

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.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.



## **Claramond Solar SPV 1 Limited**

### **Notes to the financial statements for the year ended 30 June 2019**

#### **2. Accounting policies (continued)**

##### **2.12 Hedge accounting**

The company uses variable to fixed interest rate swaps to manage its exposure to fair value risk on its financial instruments. These derivatives are measured at fair value at each reporting date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the period.

Gains and losses on the hedging instruments and the hedged items are recognised in profit or loss for the period. When a hedged item is an unrecognised firm commitment, the cumulative hedging gain or loss on the hedged item is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

##### **2.13 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.

##### **2.14 Contingent liabilities**

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resource is remote.

# Claramond Solar SPV 1 Limited

## Notes to the financial statements for the year ended 30 June 2019

### 5. Employees and directors' remuneration

The company has no employees other than the directors, who did not receive or waive any remuneration (year ended 30 June 2018: £nil).

### 4. Tangible fixed assets

|                                 | Long-term<br>leasehold<br>property<br>£ | Plant and<br>machinery<br>£ | Total<br>£       |
|---------------------------------|---|-----------------------------|------------------|
| <b>Cost</b>                     |   |                             |                  |
| At 1 July 2018                  | 7,200                                   | 9,873,012                   | 9,880,212        |
| Additions                       | -                                       | 6,824                       | 6,824            |
| At 30 June 2019                 | <u>7,200</u>                            | <u>9,879,836</u>            | <u>9,887,036</u> |
| <b>Accumulated depreciation</b> |   |                             |                  |
| At 1 July 2018                  | 1,512                                   | 2,639,961                   | 2,641,473        |
| Charge for the year             | 288                                     | 508,627                     | 508,915          |
| At 30 June 2019                 | <u>1,800</u>                            | <u>3,148,588</u>            | <u>3,150,388</u> |
| <b>Net book value</b>           |   |                             |                  |
| At 30 June 2019                 | <u>5,400</u>                            | <u>6,731,248</u>            | <u>6,736,648</u> |
| At 30 June 2018                 | <u>5,688</u>                            | <u>7,233,051</u>            | <u>7,238,739</u> |

### 5. Debtors

|                                | 2019<br>£      | 2018<br>£      |
|--------------------------------|----------------|----------------|
| Trade debtors                  | 69,415         | 48,821         |
| Other debtors                  | 29,381         | 47,009         |
| Prepayments and accrued income | 460,786        | 438,986        |
|                                | <u>559,582</u> | <u>534,816</u> |

# Claramond Solar SPV 1 Limited

## Notes to the financial statements for the year ended 30 June 2019

### 6. Creditors - amounts falling due within one year

|                                    | 2019<br>£         | 2018<br>£         |
|------------------------------------|-------------------|-------------------|
| Bank loans and overdrafts          | -                 | 395               |
| Trade creditors                    | 274               | 23,579            |
| Amounts owed to group undertakings | 10,203,736        | 10,917,289        |
| Other creditors                    | 45,224            | 74,390            |
| Accruals and deferred income       | 58,287            | 55,777            |
|                                    | <u>10,307,521</u> | <u>11,071,430</u> |

Included within amounts owed to group undertakings are unsecured loans with year end balances totalling £10,203,736 (2018: £10,917,289). The loans bear interest at 3% (2018: 3%) and are repayable on demand.

### 7. Called up share capital

|  | 2019<br>£ | 2018<br>£ |
|--|-----------|-----------|
| <b>Allotted, called up and fully paid</b>    |           |           |
| 1,000 (2018: 1,000) Ordinary shares of £0.01 | <u>10</u> | <u>10</u> |

### 8. Contingent liabilities

The company has a constructive obligation to return the land on which solar sites are built to its original condition, at the end of the lease. The directors believe that given the nature of the assets, the lessor may wish to either take title of the assets for either continued use or to realise value through selling the assets and as such the directors do not believe that an outflow is probable to settle this restoration obligation. The directors will continue to monitor this situation at each balance sheet date.

## Claramond Solar SPV 1 Limited

### Notes to the financial statements for the year ended 30 June 2019

#### 9. Operating lease commitments

At 30 June 2019 the company had minimum lease payments under non-cancellable operating leases as follows:

|   | 2019<br>£        | 2018<br>£        |
|---|------------------|------------------|
| <b>Payment due</b>                                |                  |                  |
| Not later than one year                           | 54,868           | 53,427           |
| Later than one year and not later than five years | 219,472          | 213,708          |
| Later than five years                             | 746,206          | 780,038          |
|   | <u>1,020,546</u> | <u>1,047,173</u> |

#### 10. Related party transactions

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

##### Octopus Investments Limited

During the year, the company was charged expenses of £1,596 (2018: £222) by Octopus Investments Limited, a related party due to its significant influence over the entity. At the year end, no amount was outstanding (2018: £nil).

#### 11. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Viners Energy Limited, which is the smallest group to consolidate these financial statements.

The ultimate parent undertaking is Fern Trading Limited, a company incorporated in the UK. 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, 6th Floor, 33 Holborn, London, EC1N 2HT.