

AMENDED  
Report of the Directors and  
Unaudited Financial Statements for the Period 8 June 2016 to 31 March 2017  
for  
Abbeyfields Solar Limited  
Previously known as FR Kent Solar Limited



Abbeyfields Solar Limited

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for the Period 8 June 2016 to 31 March 2017

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Abbeyfields Solar Limited

Company Information  
for the Period 8 June 2016 to 31 March 2017

**DIRECTORS:**                      Pinecroft Corporate Services Limited  
   G E Shaw

**REGISTERED OFFICE:**           C/O Foresight Group  
   32 London Bridge Street  
   London  
   SE1 9SG

**REGISTERED NUMBER:**        09605177 (England and Wales)

Abbeyfields Solar Limited

Report of the Directors  
for the Period 8 June 2016 to 31 March 2017

The directors present their report with the financial statements of the company for the period 8 June 2016 to 31 March 2017.

**AMENDMENT TO ACCOUNTS**

On 19 January 2017 the company entered into loan, asset sale and lease agreements with True Blue Solar Limited, a sister company. The transactions arising from these agreements were not included in the original filed financial statements for the period to 31 March 2017.

These amended financial statements reflect these transactions and replace the original filed accounts. These are now the statutory accounts for the period to 31 March 2017.

These financial statements have been prepared as at the date of the original accounts, 14 September 2017, and not as at the date of the amendment, and accordingly they do not deal with events between those dates.

**CHANGE OF NAME**

The company passed a special resolution on 21 September 2016 changing its name from FR Kent Solar Limited to Abbeyfields Solar Limited.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of development and generation of electricity using solar technology on a solar park located in Kent, South East England.

**DIRECTORS**

The directors who have held office during the period from 8 June 2016 to the date of this report are as follows:

N G Goodhew - resigned 30 August 2016  
Miss S A Holmes - resigned 30 August 2016  
M W Holmes - resigned 30 August 2016  
M G Mcallister - resigned 30 August 2016  
Pinecroft Corporate Services Limited - appointed 30 August 2016  
G E Shaw - appointed 30 August 2016

**SMALL COMPANY EXEMPTION**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 414B of the Companies Act 2006 not to provide a Strategic Report.

**GOING CONCERN**

The Directors have a reasonable expectation that the Company has adequate resources to be in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the annual report and accounts.

Abbeyfields Solar Limited

Report of the Directors  
for the Period 8 June 2016 to 31 March 2017

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. 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;
- make judgements and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



G E Shaw - Director

Date: 19 December 2018

Abbeyfields Solar Limited

Statement of Profit or Loss  
for the Period 8 June 2016 to 31 March 2017

		Period 8.6.16 to 31.3.17 £	Period 22.5.15 to 7.6.16 £
	Notes		
<b>CONTINUING OPERATIONS</b>			
Revenue		460,854	-
Cost of sales		<u>(35,783)</u>	<u>-</u>
<b>GROSS PROFIT</b>		425,071	-
Administrative expenses		(266,855)	(9,797)
Other operating expenses		<u>(10,024)</u>	<u>-</u>
<b>OPERATING PROFIT/(LOSS)</b>		148,192	(9,797)
Finance costs	4	(123,197)	-
Finance income	4	<u>33,596</u>	<u>-</u>
<b>PROFIT/(LOSS) BEFORE CORPORATION TAX</b>	5	58,591	(9,797)
Corporation tax	6	<u>(3,982)</u>	<u>-</u>
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<u><u>54,609</u></u>	<u><u>(9,797)</u></u>

The notes form part of these financial statements

Abbeyfields Solar Limited

Statement of Profit or Loss and Other Comprehensive Income  
for the Period 8 June 2016 to 31 March 2017

	Period 8.6.16 to 31.3.17 £	Period 22.5.15 to 7.6.16 £
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	54,609	(9,797)
<b>OTHER COMPREHENSIVE INCOME</b>	—	—
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>54,609</u>	<u>(9,797)</u>

The notes form part of these financial statements

Abbeyfields Solar Limited (Registered number: 09605177)

Statement of Financial Position  
31 March 2017

	Notes	31.3.17 £	7.6.16 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	4,153,685	4,189,487
Loans and other financial assets	8	<u>4,209,067</u>	<u>-</u>
		<u>8,362,752</u>	<u>4,189,487</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	9	144,890	60,460
Cash and cash equivalents	10	<u>469,185</u>	<u>-</u>
		<u>614,075</u>	<u>60,460</u>
<b>TOTAL ASSETS</b>		<u><u>8,976,827</u></u>	<u><u>4,249,947</u></u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	11	100	100
Retained earnings	12	<u>44,812</u>	<u>(9,797)</u>
<b>TOTAL EQUITY</b>		<u>44,912</u>	<u>(9,697)</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	13	8,418,236	92,662
Deferred tax	14	<u>2,954</u>	<u>-</u>
		<u>8,421,190</u>	<u>92,662</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	509,697	4,166,982
Tax payable		<u>1,028</u>	<u>-</u>
		<u>510,725</u>	<u>4,166,982</u>
<b>TOTAL LIABILITIES</b>		<u>8,931,915</u>	<u>4,259,644</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>8,976,827</u></u>	<u><u>4,249,947</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 March 2017.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

The notes form part of these financial statements

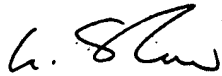


Abbeyfields Solar Limited (Registered number: 09605177)

Statement of Financial Position - continued  
31 March 2017

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 19 December 2018 and were signed on its behalf by:



G E Shaw - Director

The notes form part of these financial statements

Abbeyfields Solar Limited

Statement of Changes in Equity  
for the Period 8 June 2016 to 31 March 2017

	Called up share capital £	Retained earnings £	Total equity £
<b>Changes in equity</b>			
Issue of share capital	100	-	100
Total comprehensive income	<u>-</u>	<u>(9,797)</u>	<u>(9,797)</u>
<b>Balance at 7 June 2016</b>	<u>100</u>	<u>(9,797)</u>	<u>(9,697)</u>
 <b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>54,609</u>	<u>54,609</u>
<b>Balance at 31 March 2017</b>	<u><u>100</u></u>	<u><u>44,812</u></u>	<u><u>44,912</u></u>

The notes form part of these financial statements

Abbeyfields Solar Limited

Statement of Cash Flows  
for the Period 8 June 2016 to 31 March 2017

	Period 8.6.16 to 31.3.17 £	Period 22.5.15 to 7.6.16 £
<b>Cash flows from operating activities</b>		
Cash generated from operations 1	<u>(3,538,141)</u>	<u>4,096,725</u>
Net cash from operating activities	<u>(3,538,141)</u>	<u>4,096,725</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(19,580)	(4,189,487)
Sale of tangible fixed assets	4,209,067	-
Intercompany loan issued in year	(4,209,067)	-
Interest received	<u>33,596</u>	<u>-</u>
Net cash from investing activities	<u>14,016</u>	<u>(4,189,487)</u>
<b>Cash flows from financing activities</b>		
New shareholder loan in year	4,116,507	92,662
Share issue	-	100
Interest paid	<u>(123,197)</u>	<u>-</u>
Net cash from financing activities	<u>3,993,310</u>	<u>92,762</u>
<b>Increase in cash and cash equivalents</b>	<u>469,185</u>	<u>-</u>
<b>Cash and cash equivalents at beginning of period</b> 2	<u>-</u>	<u>-</u>
<b>Cash and cash equivalents at end of period</b> 2	<u><u>469,185</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

Abbeyfields Solar Limited

Notes to the Statement of Cash Flows  
for the Period 8 June 2016 to 31 March 2017

1. **RECONCILIATION OF PROFIT/(LOSS) BEFORE CORPORATION TAX TO CASH GENERATED FROM OPERATIONS**

	Period 8.6.16 to 31.3.17 £	Period 22.5.15 to 7.6.16 £
Profit/(loss) before corporation tax	58,591	(9,797)
Depreciation charges	197,548	-
Profit on disposal of fixed assets	(142,166)	-
Finance costs	123,197	-
Finance income	(33,596)	-
	203,574	(9,797)
Increase in trade and other receivables	(84,430)	(60,460)
(Decrease)/increase in trade and other payables	(3,657,285)	4,166,982
<b>Cash generated from operations</b>	<b>(3,538,141)</b>	<b>4,096,725</b>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Period ended 31 March 2017**

	31.3.17 £	8.6.16 £
Cash and cash equivalents	469,185	-

**Period ended 7 June 2016**

7.6.16 £	22.5.15 £

The notes form part of these financial statements

## Abbeyfields Solar Limited

### Notes to the Financial Statements for the Period 8 June 2016 to 31 March 2017

#### 1. **GENERAL INFORMATION**

Abbeyfields Solar Limited is a company incorporated and domiciled in the United Kingdom. The address of the registered office is Foresight Group LLP, The Shard, London Bridge Street, London, SE1 9SG.

During the period the Company's activity is generation of electricity using solar technology on a solar park in Kent.

##### **Amendment to accounts**

On 19 January 2017 the company entered into loan, asset sale and lease agreements with True Blue Solar Limited, a sister company. The transactions arising from these agreements were not included in the original filed financial statements for the period to 31 March 2017.

These amended financial statements reflect these transactions and replace the original filed accounts. These are now the statutory accounts for the period to 31 March 2017.

These financial statements have been prepared as at the date of the original accounts, 14 September 2017, and not as at the date of the amendment, and accordingly they do not deal with events between those dates.

#### 2. **ACCOUNTING POLICIES**

##### **Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

##### **Measurement convention**

The financial statements have been prepared under the historical cost convention.

##### **Adopted IFRSs not yet applied**

The following Adopted IFRSs have been issued but, not being effective for the financial year ended 31 March 2017, have not been applied in these financial statements. Their adoption is not expected to have a material effect on the financial statements.

- IFRS 9 Financial Instruments.
- IFRS 15 Revenue from Contracts with Customers.

##### **Revenue recognition**

Revenue represents income from the generation of energy from the operational solar park during the period. Any income not invoiced is accrued in the period in which it has been generated.

Revenue is stated net of value added tax and is generated entirely within the United Kingdom.

**2. ACCOUNTING POLICIES - continued**

**Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended. Borrowing costs are expensed as incurred as they do not meet the capitalisation criteria under IAS 23, as the construction of the related assets does not require a substantial period of time. Items of property, plant and equipment are depreciated to their estimated residual values on a straight line basis over their expected useful lives as follows:

Solar Photovoltaic (PV) assets - over 25 years - 4% straight line

Right to use finance lease Solar Photovoltaic (PV) assets - over 19 years - 5.3% straight line

The depreciation methods, estimated remaining useful lives and residual values are reviewed at each reporting date, taking account technological innovations and asset maintenance programmes. A change resulting from the review is treated as a change in accounting estimate. The depreciation expense is recognised in the income statement.

**Provision**

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

**Impairment of non-financial assets**

Carrying value of non-financial assets is reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

A previously recognised impairment will be revised insofar as estimates change as a result of an event occurring after the impairment was recognised. An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the income statement.

After the recognition of an impairment loss, the depreciation or amortisation charge for the asset is adjusted in the future periods to allocate the asset's revised carrying amount, less its residual value, on a systematic basis over its useful life.

**Financial instruments**

Financial instruments recognised on the balance sheet include trade and other receivables, cash and cash equivalents, accounts payable and other financial liabilities.

**2. ACCOUNTING POLICIES - continued**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised on the balance sheet when the company becomes party to the contractual provisions of the instrument. Financial instruments are initially recorded at fair value plus, in the case of a financial asset of financial liability not at fair value through profit or loss, directly attributable transaction costs. Subsequent measurement and impairment for each classification is specified in the sections below.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the company commits to purchase or sell the financial assets.

**De-recognition of financial assets and liabilities**

A financial asset, or apportion of a financial asset, is derecognised where:

- The rights to receive cash flows from the asset have expired;
- The company retains the right to receive the cash flow from the asset, but has assumed an obligation to pay them in full without material delay to a third party under "pass-through" arrangement, or
- The company has transferred the rights to receive cash flows from the asset and either:
  - (i) has transferred substantially all the risks and rewards of ownership of the asset or
  - (ii) has neither transferred nor retained substantially all the risks and rewards of ownership of the asset but has transferred control of the asset.

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or has expired.

**Trade and other receivables**

Trade and other receivables reflected on the balance sheet are net of an allowance for uncollectible amounts

**Financial liabilities**

Loans and accounts payables are classified as financial liabilities and are subsequently measured at amortised cost. Gains and losses are recognised in income when the financial liabilities are derecognised or impaired as well as through the amortisation process.

Finance costs and gains or losses relating to financial liabilities are included in the income statement. 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 features meeting the definition of financial liability then such capital is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of profit or loss and other comprehensive income on a straight-line basis over the period of the lease.

**2. ACCOUNTING POLICIES - continued**

**Impairment of financial assets**

The company's financial assets are reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether or not there is any indication of impairment.

**Taxation**

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

The charge for taxation is based on the profit or loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. It also includes any adjustments in relation to prior periods.

Provision is made at current rates for deferred tax in respect of all timing differences that have originated but not reversed at the period end. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the statement of financial position. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the income statement over the relevant period. The capital element of the future payments is treated as a liability.

**Equity**

Equity comprises the following

- "Share capital" represents the nominal value of ordinary equity shares.
- "Retained deficit" include all current results as disclosed in the income statement.

**Capital risk management**

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Total capital is calculated as 'equity' as shown in the balance sheet plus net debt. The loan balances represent inter-company loans.

**Going concern**

The Directors have a reasonable expectation that the company has adequate resources to be in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the annual report and accounts



Abbeyfields Solar Limited

Notes to the Financial Statements - continued  
for the Period 8 June 2016 to 31 March 2017

**3. EMPLOYEES AND DIRECTORS**

There were no staff costs for the period ended 31 March 2017 nor for the period ended 7 June 2016.

	Period 8.6.16 to 31.3.17 £	Period 22.5.15 to 7.6.16 £
Directors' remuneration	-	-

**4. NET FINANCE COSTS**

	Period 8.6.16 to 31.3.17 £	Period 22.5.15 to 7.6.16 £
Finance income:		
Intercompany interest income	<u>33,596</u>	<u>-</u>
Finance costs:		
Shareholder loan interest	<u>123,197</u>	<u>-</u>
Net finance costs	<u>89,601</u>	<u>-</u>

**5. PROFIT/(LOSS) BEFORE CORPORATION TAX**

The profit before corporation tax (2016 - loss before corporation tax) is stated after charging/(crediting):

	Period 8.6.16 to 31.3.17 £	Period 22.5.15 to 7.6.16 £
Depreciation - owned assets	142,166	-
Depreciation - assets on hire purchase contracts or finance leases	55,382	-
Profit on disposal of fixed assets	<u>(142,166)</u>	<u>-</u>

Abbeyfields Solar Limited

Notes to the Financial Statements - continued  
for the Period 8 June 2016 to 31 March 2017

6. **CORPORATION TAX**

**Analysis of tax expense**

	Period 8.6.16 to 31.3.17 £	Period 22.5.15 to 7.6.16 £
Current tax: Corporation tax	<u>3,982</u>	<u>-</u>
Total tax expense in statement of profit or loss	<u>3,982</u>	<u>-</u>

**Factors affecting the tax expense**

The tax assessed for the period is lower (2016 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 8.6.16 to 31.3.17 £	Period 22.5.15 to 7.6.16 £
Profit/(loss) before income tax	<u>58,591</u>	<u>(9,797)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	11,718	(1,959)
Effects of:		
Non deductible expenses	(5,777)	1,959
Utilisation of losses brought forward	<u>(1,959)</u>	<u>-</u>
Tax expense	<u>3,982</u>	<u>-</u>

Abbeyfields Solar Limited

Notes to the Financial Statements - continued  
for the Period 8 June 2016 to 31 March 2017

**7. PROPERTY, PLANT AND EQUIPMENT**

	Plant and machinery £
<b>COST</b>	
At 8 June 2016	4,189,487
Additions	4,228,647
Disposals	<u>(4,209,067)</u>
At 31 March 2017	<u>4,209,067</u>
<b>DEPRECIATION</b>	
Charge for period	197,548
Eliminated on disposal	<u>(142,166)</u>
At 31 March 2017	<u>55,382</u>
<b>NET BOOK VALUE</b>	
At 31 March 2017	<u>4,153,685</u>
At 7 June 2016	<u>4,189,487</u>

During the year the company sold plant and machinery with a net book value of £4,066,901 to True Blue Solar Limited. These assets were subsequently leased back from True Blue Solar Limited under a finance lease recognised as right of use assets within non current assets, plant and machinery.

The finance lease is for a period of 19 years for assets with a value of £4,209,067. Lease payments commenced on 1 April 2017.

The net book value of Plant and machinery includes £4,153,685 (2016 - £NIL) in respect of assets held under hire purchase contracts or finance leases.

**8. LOANS AND OTHER FINANCIAL ASSETS**

	Loans to group undertakings £
New in year	<u>4,209,067</u>
At 31 March 2017	<u>4,209,067</u>

Abbeyfields Solar Limited

Notes to the Financial Statements - continued  
for the Period 8 June 2016 to 31 March 2017

**9. TRADE AND OTHER RECEIVABLES**

	31.3.17 £	7.6.16 £
Current:		
Other debtors	111,294	60,460
Intercompany debtor	<u>33,596</u>	<u>-</u>
	<u>144,890</u>	<u>60,460</u>

**10. CASH AND CASH EQUIVALENTS**

	31.3.17 £	7.6.16 £
Bank accounts	<u>469,185</u>	<u>-</u>

**11. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.3.17 £	7.6.16 £
100	Ordinary	1.00	<u>100</u>	<u>100</u>

**12. RESERVES**

	Retained earnings £
At 8 June 2016	(9,797)
Profit for the period	<u>54,609</u>
At 31 March 2017	<u>44,812</u>

**13. TRADE AND OTHER PAYABLES**

	31.3.17 £	7.6.16 £
Current:		
Trade creditors	64,201	4,166,982
Intercompany creditor	34,126	-
Other creditors	404,340	-
VAT	<u>7,030</u>	<u>-</u>
	<u>509,697</u>	<u>4,166,982</u>

Abbeyfields Solar Limited

Notes to the Financial Statements - continued  
for the Period 8 June 2016 to 31 March 2017

**13. TRADE AND OTHER PAYABLES - continued**

	31.3.17 £	7.6.16 £
Non-current:		
Shareholder loan	4,209,169	-
Other creditors	-	92,662
Intercompany finance lease	<u>4,209,067</u>	<u>-</u>
	<u>8,418,236</u>	<u>92,662</u>
 Aggregate amounts	 <u>8,927,933</u>	 <u>4,259,644</u>

At the year end the company has a long term intercompany loan of £4,209,169 with interest payable at a rate of 5% per annum.

The company has an intercompany finance lease with True Blue Solar Limited for assets with a value of £4,209,067 and a lease term of 19 years. Lease payments commenced on 1 April 2017.

**14. DEFERRED TAX**

	31.3.17 £	7.6.16 £
Fixed asset timing differences	<u>2,954</u>	<u>-</u>
Balance at 31 March	<u>2,954</u>	<u>-</u>

**15. OTHER FINANCIAL COMMITMENTS**

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

Financial Liabilities	1 year	2 to 5 years	After 5 years
Operating leases	38,761	156,569	802,418

**16. FINANCIAL INSTRUMENTS**

**Fair Value category**

The financial assets and liabilities held by the Company for both 31 March 2017 and the 7 June 2016 were categorised under loans and receivable.

**Fair value measurement**

The fair value of the financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

	Carrying Amount 31.3.17 £	Carrying Amount 7.6.16 £	Fair Value 31.3.17 £	Fair Value 7.6.16 £
<b>Financial assets:</b>				
Trade and other receivables	123,799	60,460	123,799	60,460
<b>Financial liabilities:</b>				
Trade and other payables	8,920,903	4,259,644	8,920,903	4,259,644

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**17. FINANCIAL RISK MANAGEMENT**

The company's principal financial assets and liabilities comprise trade receivables, cash, and trade payables.

The company has exposure to the following risks from its use of financial instruments:

- Market risks, including foreign currency, commodity price, inflation rate risks
- Credit risk
- Liquidity risk

This note represents information about the company's exposure to each of the above risks and the company's objectives, policies and processes for assessing and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

**a) Market risk**

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return on risk.

The company is not exposed to significant foreign currency risk as the majority of all payables and receivables are denominated in pounds sterling which is the functional currency in which the company operates.

The company has limited exposure to interest rate risk. The company is fully funded by the parent company and has no floating rate interest bearing loans or borrowings at 7 June 2016 or 31 March 2017. The company does not intend to hold cash for the purpose of generating interest income. The company does not currently consider it necessary to actively manage interest rate risk.

**b) Credit risk**

The company's policy are aimed at minimising losses as a result of counterparty's failure to honour its obligations. Exposure to credit risk arises as a result of the transactions with counterparties. The counterparties used by the company are considered by management to be of appropriate credit rating. At each balance sheet date, the company's financial assets were neither impaired nor past due. The maximum credit exposure at reporting date are the carrying value of the credit balances if any.

**c) Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company monitors its risks of shortage of funds using projected cash flows and by monitoring the maturity of both its financial assets and obligations.

Abbeyfields Solar Limited

Notes to the Financial Statements - continued  
for the Period 8 June 2016 to 31 March 2017

**Period ended 31 March 2017**

	On demand £	Less than 3 month £	3 to 12 months £	2 to 5 periods £	>5 periods £	Total £
<b>Financial Liabilities</b>						
Trade and other payables	64,201	411,370	-	-	-	475,571
Owing to group company	34,126	84,474	104,855	624,833	7,604,074	<u>8,452,362</u>
						<u>8,927,933</u>

**Period ended 7 June 2016**

	On demand £	Less than 3 month £	3 to 12 months £	2 to 5 periods £	>5 periods £	Total £
<b>Financial Liabilities</b>						
Trade and other payables	4,166,982	-	-	-	-	4,166,982
Owing to group company	-	-	-	-	92,662	<u>92,662</u>
						<u>4,259,644</u>

**d) Capital management**

Management considers capital to consist of equity plus net debt as disclosed in the balance sheet. The primary objective of the company's capital management is to ensure healthy capital ratios in order to support its business and maximise shareholder value. The company's financial instruments comprise cash and liquid resources and various items, such as receivables and trade payables that arise directly from its operations. The company's policy is to finance its operations through group borrowings. It is the company's policy not to hold financial instruments for speculative purposes



Abbeyfields Solar Limited

Notes to the Financial Statements - continued  
for the Period 8 June 2016 to 31 March 2017

**18. RELATED PARTY DISCLOSURE**

At the period end the company owed a long-term loan £4,209,169 to Lithium Solar Limited, the parent company. Interest payable is calculated at a flat rate of 5% and amounted to £123,197 during the reported period. The balance outstanding at year end totalled £123,197

On 30 August 2016, Abbeyfields Solar Limited entered into a contract with Lithium Solar Limited, for provision of asset management services. During the reported period the net cost of services provided by Lithium Solar Limited amounted to £116,928. The balance outstanding at the year end totalled £80,553.

At the period end, £34,126 was owed to Lithium Solar Limited in respect of an outstanding intercompany account.

The company had a finance lease liability of £4,209,067 and a loan receivable of £4,209,067 at the period end with True Blue Solar Limited, a sister company. Interest is receivable on the loan at a rate of 4% per annum and amounted to £33,596 for the period, with £33,596 outstanding at the period end.

**19. ULTIMATE CONTROLLING PARTY**

The directors consider there to be no ultimate controlling party.