

SOLARPLICITY UC HOLDINGS LIMITED

AUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020



SOLARPLICITY UC HOLDINGS LIMITED
REGISTERED NUMBER: 09743249

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £000	2019 £000
Investments		-	-
Current assets			
Debtors: amounts falling due within one year	7	27,633	27,911
Cash at bank and in hand		9	1
		<u>27,642</u>	<u>27,912</u>
Creditors: amounts falling due within one year	8	(3,074)	(5,525)
Net current assets		<u>24,568</u>	<u>22,387</u>
Total assets less current liabilities		<u>24,568</u>	<u>22,387</u>
Creditors: amounts falling due after more than one year	9	(25,121)	(26,044)
Net liabilities		<u>(553)</u>	<u>(3,657)</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	(554)	(3,658)
		<u>(553)</u>	<u>(3,657)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with 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 by:

Mrs S J Johnston
Director

Date: 24 August 2021

The notes on pages 2 to 6 form part of these financial statements.

SOLARPLICITY UC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Solarplicity UC Holdings Limited is a private company limited by shares incorporated in England and Wales. Registered number 09743249. The registered office is 24 Savile Row, London, United Kingdom, W1S 2ES.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

These financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £'000 unless otherwise stated.

The following principal accounting policies have been applied:

2.2 Compliance with accounting standards

The financial statements have been prepared using FRS102, the financial reporting standard applicable in the UK and Republic of Ireland, including the disclosure and presentation requirements of Section 1A, applicable to small companies. There were no material departures from that standard.

2.3 Going concern

The Company is in a net liability position at the year end date. The financial statements have been prepared on a going concern basis which means that the Company can be expected to meet its liabilities as they fall due for a period of 12 months from the date of signing these financial statements. In assessing the appropriateness of the going concern basis of preparation the Directors have taken into account the key risks of the business, including the uncertainty in relation to the impact of COVID-19, as well as the Company's business model and the availability of cash resources.

One of the Company's subsidiaries is currently subject to an ongoing audit by OFGEM the energy regulator in relation to compliance with the Renewable Obligation Order (ROO). The outcome of the audit is uncertain as at the date of approval of these financial statements but OFGEM has the authority to, amongst other things, withdraw Renewable Obligations Certificates (ROC) accreditation in cases of material noncompliance with the ROO which would significantly impact the subsidiary's ability to repay the intercompany loan with the Company.

In preparing this assessment the Directors cite the ability of the Company to currently generate sufficient cash to meet its liabilities as they fall due. Further the Directors cite the ongoing support of fellow group companies and the Company's parent to not call its debt to the detriment of the Company. On this basis the Directors consider it is appropriate to prepare the financial statements on a going concern basis.

2.4 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.

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2. Accounting policies (continued)

2.5 Finance costs

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

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.7 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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 debtors and creditors, 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 in

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.12 Financial instruments (continued)

case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

For financial assets measured at 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.

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

Estimates and judgements are continually evaluated and are based on historical experience, independent forecasts and other factors that are believed to be reasonable under the circumstances.

The loan interest receivable and payable calculations assume that all future loan capital and interest receipts and payments will be in accordance with the current loan agreements for the remaining loan term.

4. Employees

The Company has no employees, other than its directors, who did not receive any remuneration (2019 - £Nil).

5. Auditors' Remuneration

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the ultimate parent company.

6. Exceptional items

	2020 £000	2019 £000
Write off of shareholder loan	<u>(2,643)</u>	<u>-</u>

In prior years the Company refinanced its debt following its acquisition by its now parent, Gravis Solar 2 Limited. As part of this refinancing an amount due to the previous shareholders was written off resulting in a gain in the income statement of £2,643,000.

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Debtors

	2020 £000	2019 £000
Loans to group undertakings	27,531	27,804
Other debtors	102	107
	<u>27,633</u>	<u>27,911</u>

Loans to group undertakings comprise unsecured loan notes which are repayable on demand.

Turnover is represented, in its entirety, by interest receivable on loans to group undertakings.

8. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	29	29
Loans from a group undertaking	3,037	5,489
Accruals and deferred income	8	7
	<u>3,074</u>	<u>5,525</u>

Cost of sales is represented, in its entirety, by interest payable on loans from a group undertaking.

9. Creditors: Amounts falling due after more than one year

	2020 £000	2019 £000
Loans from a group undertaking	<u>25,121</u>	<u>26,044</u>

Loans from a group undertaking comprise unsecured loan notes accounted for at amortised cost and are repayable in instalments.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2020 £000	2019 £000
Repayable by instalments	<u>20,719</u>	<u>21,838</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
501 (2019 - 501) Ordinary shares of £1.00 each	<u>501</u>	<u>501</u>

11. Reserves

Profit and loss account

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

12. Related party transactions

The Company is exempt under the terms of Financial Reporting Standard 102 (FRS102) Section 33 paragraph 1A, from disclosing related party transactions with other group companies, on the grounds that the Company is wholly owned within the Group and the Company is included within the consolidated financial statements of the Group.

13. Controlling party

The immediate parent company is Gravis Solar 2 Limited, a company incorporated in England and Wales.

The ultimate controlling party is Gravis Asset Holdings Limited, a company incorporated in England and Wales.

The consolidated financial statements of Gravis Asset Holdings Limited may be obtained from Companies House or from the registered office: 24 Savile Row, London, United Kingdom, W1S 2ES.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group financial statement by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group. The Company's results are included in the consolidated financial statements prepared by the ultimate controlling party, Gravis Asset Holdings Limited.

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

In their report, the auditors emphasised the following matter without qualifying their report:

We draw your attention to note 2.3 of the financial statements which sets out the Directors going concern assessment. Our opinion is not modified in respect of this matter.

The audit report was signed on 9 September 2021 by Mark Nelligan FCA (Senior Statutory Auditor) on behalf of Wellden Turnbull Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.