Registration number: 11104018

Aegletes Holdco Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2023

Aegletes Holdco Limited
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Aegletes Holdco Limited
Company Information

Directors
A Osorio
B Moncik
S Disley
O Taleb (resigned 22 February 2023)

Registered office
3rd Floor, Queensberry House
3 Old Burlington Street
London
W1S 3AE
United Kingdom

Company number
11104018

Independent auditors
PricewaterhouseCoopers LLP
40 Clarendon Road
Watford
Hertfordshire
WD17 1JJ

Bankers
Barclays Bank PLC
Level 4, Apex Plaza
Forbury Road
Reading
RG1 1AX

Accountants
Rawlinson & Hunter LLP
Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

Aegletes Holdco Limited
Strategic Report for the Year Ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

Incorporation
Aegletes Holdco Limited ("the Company") is incorporated and domiciled in England. The address of its registered office is 3rd Floor Queensberry House, 3 Old Burlington Street, London, W1S 3AE.

Principal activities
The principal activity of the Company is as a holding company. It wholly owns Levantera Developments Limited ("Levantera") (together "the Group"). Levantera produces electricity by means of photovoltaic ("PV") systems, comprising of residential and commercial rooftop solar systems in the United Kingdom.

Levantera is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 3rd Floor Queensberry House, 3 Old Burlington Street, London, W1S 3AE.

Business review
The directors consider turnover and loss after tax to be the key performance indicators of the Group. Turnover for the Group was £6,002,495 *(2022 – £5,605,981)* with a loss after tax of £76,522 *(2022 – loss of £239,646)*. The Group has increased revenues and reduced interest costs which has contributed to the reduction in the loss. The Group's balance sheet was in a net current liabilities position of £1,194,798 at the year-end *(2022 - net current liabilities position of £1,226,323)*. The Group has continued to maintain positive reserves and has access to cash if required.

Principal risks and uncertainties
The principal activity of the Group is electricity generation. The technical availability of the equipment that is used in the production of electricity is the key risk. During the summer months' generation is at its highest, the technical availability of the equipment during this time has the potential to damage the performance of the Group. Operations and maintenance providers (the "O&M providers") have been appointed by the Group to reduce this risk. The O&M providers provide competent staff to carry out maintenance on the PV systems throughout the year. Key components of the PV systems are covered by warranties and the Group has insurance policies in place.

There is no impact from the Russian invasion of Ukraine. The directors have reviewed the financial information available which indicates that the business is robust and the directors have considered the financial model including analysis of reasonable plausible downside scenario.

Approved by the Board on 28 July 2023 and signed on its behalf by:

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B Moncik
Director

The directors present their report and the audited consolidated financial statements of the Company and Group for the year to 31 March 2023.

Incorporation
See Strategic report for details of incorporation.

Principal activities
See Strategic report for details of principal activities.

Directors
The directors of the Company who were in office during the year and up to the date of signing the financial statements, unless otherwise stated, were:

A Osorio
B Moncik
S Disley
O Taleb (resigned 22 February 2023)

Political donations
The Company did not make any political donations of political expenditure in the current year (*2022 – nil*).

Directors' Indemnity
The directors of the company are indemnified under a directors and officers liability insurance policy for losses or advancement of defence costs as a result of a legal action brought for alleged wrongful acts in their capacity as directors and officers of the company. The indemnity was in force during the financial year and at the date of approval of these financial statements.

Financial risk management
See note 20 for details of financial risk management undertaken by the Company.

Directors' responsibilities statement
The directors are responsible for preparing the Annual Report and Consolidated Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements in accordance with UK-adopted international accounting standards.

Under company law, 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 group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards 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 group and company will continue in business.

Directors' responsibilities statement (continued)
The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations
In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

Dividends paid
During the year, the Company did not pay any dividends *(2022 - £150,000)* to its immediate parent, Aegletes LP. There is no final dividend recommended.

Going concern
Aegletes Holdco Limited has been unaffected by the Russian invasion of Ukraine and the cost of living crisis. The directors have reviewed the financial information available which indicates that the business is robust even in the face of any further significant and prolonged financial shock and the directors have considered the financial model including analysis of reasonable plausible downside scenario.

Additionally the directors received a letter of support from Aegletes LP, confirming it will meet the Group's financial obligations as they fall due for the foreseeable future, but at a minimum for a period of 12 months from the date of approval of these financial statements.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

Future developments of the Group
The Group will continue to operate as it is currently.

Approved by the Board of Directors on 28 July 2023 and signed on its behalf by:

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B Moncik
Director

Independent auditors' report to the members of Aegletes Holdco Limited

Report on the audit of the financial statements

Opinion

In our opinion, Aegletes Holdco Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2023 and of the group's loss and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the consolidated and company statements of financial position as at 31 March 2023; the consolidated statement of comprehensive income, the consolidated and company statements of cash flows and the consolidated and company statements 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.

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.

Independence

We remained independent of the group 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.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 or, 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 Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 March 2023 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 group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, 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 group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax regulations in the United Kingdom, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of unusual journals outside the normal course of business, significant estimates and revenue recognition journal entries in order to manipulate the Group and Company's performance profit measures. Audit procedures performed by the engagement team included:

- Obtaining an understanding of the legal and regulatory frameworks applicable to the Group and Company, including those relating to the reporting framework and the relevant tax compliance regulations.
- Inquiring with management to understand how the business complies with key frameworks. These inquiries were also corroborated through review of Board minutes.
- Obtaining Group and Company's assessment of the key fraud risks and the controls and procedures that are in operation to detect and prevent fraud.
- Our procedures involved using: Computer Assisted Audit Techniques ("CAATS") to analyse all journals recorded to identify any unusual, unexpected or significantly material journals for specific follow up and testing. Significant accounting estimates were tested for possible management bias. As required by ISA 240, an element of unpredictability was incorporated into our audit testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. This description forms part of our auditors' report.

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.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained 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 company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

John Dashwood

John Dashwood (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford
28 July 2023

Aegletes Holdco Limited
Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Revenue	3	**6,002,495**	5,605,981
Cost of sales	3	**(1,090,663)**	(1,048,391)
Depreciation and amortisation expense	5, 6	**(3,209,776)**	(3,200,030)
Gross profit		**1,702,056**	1,357,560
Administrative expenses	3	**(191,142)**	(88,560)
Operating profit		**1,510,914**	1,269,000
Interest expenses	3	**(1,214,053)**	(1,307,663)
Profit / (loss) for the year before tax		**296,861**	(38,663)
Tax expense	4	**(373,383)**	(200,983)
Loss and total comprehensive expense for the year		**(76,522)**	(239,646)

The above results were derived from continuing operations.

There is no other comprehensive income for the year.

Aegletes Holdco Limited
Registration number: 11104018
Consolidated Statement of Financial Position as at 31 March 2023

	Note	2023	2022
Assets		**£**	£
Non-current assets			
Property, plant and equipment	5	**26,342,644**	28,192,350
Intangible assets	6	**13,943,155**	14,994,452
Restricted cash	7	**2,247,639**	1,950,235
Total non-current assets		**42,533,438**	45,137,037
Current assets			
Cash at bank and in hand	8	**594,550**	709,801
Trade and other receivables	9	**1,035,720**	1,199,392
Total current assets		**1,630,270**	1,909,193
Total assets		**44,163,708**	47,046,230
Liabilities			
Current liabilities			
Trade and other payables	10	**201,519**	132,878
Corporation tax		**48,067**	533,028
Senior debt falling due within 1 year	11	**2,575,482**	2,469,610
Total current liabilities		**2,825,068**	3,135,516
Non-current liabilities			
Loans and borrowings	11	**33,915,238**	36,410,790
Total non-current liabilities		**33,915,238**	36,410,790
Total liabilities		**36,740,306**	39,546,306
Equity			
Share capital	12	**100**	100
Additional paid up capital	13	**1,532,756**	1,532,756
Retained earnings		**5,890,546**	5,967,068
Total equity		**7,423,402**	7,499,924
Total equity and liabilities		**44,163,708**	47,046,230

The financial statements on pages 10 to 30 were approved by the Board of Directors on 28 July 2023 and signed on its behalf by:

....

B Moncik
Director

Aegletes Holdco Limited
Consolidated Statement of Changes in Equity for the Year Ended 31 March 2023

	Share capital	Additional paid up capital	Retained earnings	Total
	£	£	£	£
Balance at 1 April 2021	100	1,532,756	6,356,714	7,889,570
Dividends paid	-	-	(150,000)	(150,000)
Loss and total comprehensive expense for the year	-	-	(239,646)	(239,646)
Balance at 31 March 2022	100	1,532,756	5,967,068	7,499,924
Loss and total comprehensive expense for the year	**-**	**-**	**(76,522)**	**(76,522)**
Balance at 31 March 2023	**100**	**1,532,756**	**5,890,546**	**7,423,402**

The notes on pages 17 to 30 are an integral part of these financial statements.

Aegletes Holdco Limited
Consolidated Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Operating activities			
Profit / (loss) for the period before tax		**296,861**	(38,663)
Adjustments:			
Depreciation and amortisation expense	3	**3,209,776**	3,200,030
(Increase) / decrease in trade and other receivables	9	**168,554**	(172,885)
Increase / (decrease) in trade and other payables	10	**68,642**	(28,900)
Finance costs	11	**1,134,122**	1,191,160
Accretion of financing costs	11	**79,931**	116,702
Less profit on disposal of fixed assets		**(19,164)**	(7,105)
Interest paid		**4,294**	-
Cash generated from operating activities		**4,943,016**	4,260,339
Tax paid		**(862,639)**	-
Net cash generated from operating activities		**4,080,377**	4,260,339
Investing activities			
Proceeds from sale of tangible fixed assets	5	**22,055**	14,552
Acquisition of property, plant and equipment	5	**(316,546)**	(138,380)
Net cash used in investing activities		**(294,491)**	(123,828)
Financing activities			
Dividends paid	12	-	(150,000)
Increase in restricted cash	7	**(297,404)**	(16,443)
Repayment of senior debt	11	**(2,469,611)**	(2,359,162)
Finance costs		**(1,134,122)**	(1,191,160)
Net cash used in financing activities		**(3,901,137)**	(3,716,765)
Net movement in cash and cash equivalents		**(115,251)**	419,746
Cash and cash equivalents at the beginning of the year		**709,801**	290,055
Cash and cash equivalents at 31 March	9	**594,550**	709,801

The notes on pages 17 to 30 are an integral part of these financial statements.

Aegletes Holdco Limited
Registration number: 11104018
Company Statement of Financial Position as at 31 March 2023

	Note	2023	2022
Assets		£	£
Non-current assets			
Investments in Levantera	15	24,272,708	24,272,708
Restricted cash	7	2,247,639	1,950,235
Intercompany loan receivable	14	14,452,713	17,968,217
Total non-current assets		**40,973,060**	44,191,160
Current assets			
Cash at bank and in hand	8	28,115	56,580
Trade and other receivables	9	238,531	53,778
Total current assets		**266,646**	110,358
Total assets		**41,239,706**	44,301,518
Liabilities			
Current liabilities			
Trade and other payables	10	100,285	76,913
Senior debt falling due within 1 year	11	2,575,482	2,469,610
Total current liabilities		**2,675,767**	2,546,523
Non-current liabilities			
Senior debt falling due after 1 year	11	33,915,238	36,410,790
Total non-current liabilities		**33,915,238**	36,410,790
Total liabilities		**36,591,005**	38,957,313
Equity			
Share capital	12	100	100
Additional paid up capital	13	1,532,756	1,532,756
Retained earnings		3,115,845	3,811,349
Total equity		**4,648,701**	5,344,205
Total equity and liabilities		**41,239,706**	44,301,518

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Company Income Statement. The loss for the Company for the year was £695,504 *(2022 – loss of £603,944)*.

The financial statements on pages 10 to 30 were approved by the Board of Directors on 28 July 2023 and signed on its behalf by:

....

B Moncik
Director

The notes on pages 17 to 30 are an integral part of these financial statements.

Aegletes Holdco Limited
Company Statement of Changes in Equity for the Year Ended 31 March 2023

	Share capital	Additional paid up capital	Retained earnings	Total
	£	£	£	£
Balance at 1 April 2021	100	1,532,756	4,565,293	6,098,149
Dividends paid	-	-	(150,000)	(150,000)
Loss and total comprehensive expense for the year	-	-	(603,944)	(603,944)
Balance at 31 March 2022	100	1,532,756	3,811,349	5,344,205
Loss and total comprehensive expense for the year	-	-	**(695,504)**	**(695,504)**
Balance at 31 March 2023	**100**	**1,532,756**	**3,115,845**	**4,648,701**

The notes on pages 17 to 30 are an integral part of these financial statements.

Aegletes Holdco Limited
Company Statement of Cash Flows for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Operating activities			
Loss for the year		***(695,504)***	*(603,944)*
Adjustments:			
Decrease in trade and other receivables	9	**15,247**	15,891
Increase in trade and other payables	10	**33,057**	24,862
Decrease in intercompany payables		**(9,685)**	(69,223)
Increase in intercompany receivables		**(200,000)**	-
Finance costs	11	**1,122,148**	1,191,160
Accretion of financing costs		**79,931**	116,702
Net cash generated from operating activities		**345,194**	675,448
Financing activities			
Dividends paid	12	**-**	(150,000)
Repayment of intercompany loan receivable	14	**3,515,504**	3,085,665
Increase in restricted cash	7	**(297,404)**	(16,443)
Repayment of senior debt	11	**(2,469,611)**	(2,359,162)
Senior debt interest paid	11	**(1,122,148)**	(1,191,160)
Net cash used in financing activities		**(373,659)**	(631,100)
Net movement in cash and cash equivalents		**(28,465)**	44,348
Cash and cash equivalents at the beginning of the year		**56,580**	12,232
Cash and cash equivalents at 31 March		**28,115**	56,580

1. General information

Aegletes Holdco Limited (the "Company") was incorporated on 8 December 2017 and is incorporated and domiciled in England. The address of its registered office is 3rd Floor Queensberry House, 3 Old Burlington Street, London, United Kingdom, W1S 3AE.

2. Accounting policies

Statement of compliance

The Group financial statements have been prepared in accordance with the UK-adopted international accounting standards and include the following accounting policies noted below.

Functional Currency

The financial statements for the year ended 31 March 2023 are presented in GBP, which is the currency of the primary economic environment in which the Company operates and is considered the functional and presentation currency of the Company.

Basis of preparation

The financial statements of the Company have been prepared in accordance with UK-adopted international accounting standards.

The preparation of financial statements in conformity with UK-adopted international accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Declaration of guarantee

Under Section 479a of the Companies Act 2006, exemptions from an audit of the financial statements for the year ended 31 March 2023 have been taken by Levantera Developments Limited. As required, the Company guarantees all outstanding liabilities to which the subsidiary company listed above are subject at the end of the year, until they are satisfied in full and the guarantee is enforceable against the parent undertaking by and person to whom any of the subsidiary companies listed above is liable in respect of those liabilities.

Going concern

Aegletes Holdco Limited has been unaffected by the Russian invasion of Ukraine and the cost of living crisis. The directors have reviewed the financial information available which indicates that the business is robust even in the face of any further significant and prolonged financial shock and the directors have considered the financial model including analysis of reasonable plausible downside scenario.

Additionally the directors received a letter of support from Aegletes LP, confirming it will meet the Group's financial obligations as they fall due for the foreseeable future, but at a minimum for a period of 12 months from the date of approval of these financial statements.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

Use of estimates and critical accounting judgements

The preparation of the financial statements in compliance with UK-adopted international accounting standards requires management to make certain estimates and assumptions that they consider reasonable and realistic.

2. Accounting policies (continued)

Use of estimates and critical accounting judgements (continued)

Estimates and judgements are inherent in, but not limited to the following: the existence and valuation of customer contracts of the company (including the discount rate applied), fair value of financial assets and liabilities, revenue relating to the accrued income from the Feed-In Tariff ("FIT") and evaluation of permanent impairment. Despite regular reviews of these estimates and assumptions, based in particular on past achievements or anticipations, facts and circumstances may lead to changes in these estimates and assumptions, which could impact the reported amount of the assets, liabilities, equity or earnings.

Management do not consider the estimates and judgements above to be critical estimates or judgements.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 March 2023.

Financial instruments

The Company recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the years presented the Company does not have any financial assets categorised as FVOCI.
The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of related party receivables which is presented within other expenses.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash, distributions and related party receivables fall into this category of financial instruments.

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

2. Accounting policies (continued)

Financial instruments (continued)

IFRS 9 Financial Instruments ("IFRS 9"), impairment requirements use more forward-looking information to recognize expected credit losses – the 'expected credit loss (ECL) model'. This replaces the IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39") 'incurred loss model'. Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and

- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

"Stage 3" would cover financial assets that have objective evidence of impairment at the reporting date. "12-month expected credit losses" are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Company's financial liabilities include accounts payable and accrued liabilities. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at FVTPL. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments). All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance expense or finance income.

Derivative financial instruments are accounted for at FVTPL except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

The Company does not designate any of its financial instruments as hedging instruments and will not be using hedge accounting.

The Company's financial instruments and their classification are as follows:

Cash	Amortised cost
Distributions receivable	Amortised cost
Due from related parties	Amortised cost
Investments	FVTPL
Accounts payable and accrued liabilities	Amortised cost

2. Accounting policies (continued)

Financial instruments (continued)

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Fair value measurement

The Company classifies fair value measurements within a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Partnership can access at the measurement date;

Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs that have been applied in valuing the respective asset or liability.

If different levels of inputs are used to measure a financial instrument's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

All investments held by the Company are considered Level 3.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Revenue recognition

Revenue represents the value of FIT generation, export energy and energy sales by a Power Purchase Agreement ("PPA"), due excluding value added tax. Turnover arises wholly in the UK from Levantera's principle activity, being production of electricity. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, and specific criteria have been met for each of the Group activities.

Current and deferred taxation

The tax expense for the year comprises current tax. Tax is recognised in income statement, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

2. Accounting policies (continued)

Current and deferred taxation (continued)

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

- Deferred tax assets recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Property, plant and equipment

Property, plant and equipment include solar installations and is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of property plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation on the solar installations is calculated on a straight-line basis to allocate the difference between their cost and their residual value over their estimated useful lives, which is 20 years.

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting date. Goodwill is not subject to amortisation but is tested for impairment.

Negative goodwill arising on an acquisition is recognised directly in the income statement. On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss recognised in the income statement on disposal.

Customer contract intangible asset was acquired in a business combination are recognised at fair value at the acquisition date.

Customer contract intangible asset have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life for contractual relations is 18 years.

2. Accounting policies (continued)

Investments

Investments in securities are classified on initial recognition as available-for-sale and are carried at fair value, except where their fair value cannot be measured reliably, in which case they are carried at cost, less any impairment.

Unrealised holding gains and losses other than impairments are recognised in other comprehensive income. On maturity or disposal, net gains and losses previously deferred in accumulated other comprehensive income are recognised in income.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Restricted cash

Restricted cash balances include cash and equivalents, where the availability of funds is restricted by agreements.

Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing. Interest expense is recognised on the basis of the effective interest method and is included in interest expense. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

New accounting standards

There are no standards that are not yet effective and that are expected to have a significant impact on the entity in the current or future reporting years and on foreseeable future transactions.

3. Revenue and expenses

Revenue

The whole of the Consolidated Group's revenue is attributable to its market in the United Kingdom and is derived from the principal activity of electricity production.

Expenses

The operating expenses comprise:

	Group	
	2023	2022
	£	£
Cost of sales	**1,090,663**	1,048,391
Amortisation expense	**1,051,297**	1,051,297
Depreciation expense	**2,158,479**	2,148,733
Auditors' remuneration – fee (Group and Company, the Company fee is not separately quantifiable)	**41,800**	39,000
Auditors' remuneration – tax fees	**22,290**	9,538
Legal expenses	**50,526**	5,826
Interest expense	**1,214,053**	1,307,862
Other expenses	**76,526**	33,997
	5,705,634	5,644,644

4. Tax expense

Tax charge included in the profit and loss	**2023**	2022
	£	£
Current tax		
UK corporation tax at 19% *(2022 - 19%)*	373,383	295,337
Total Current tax	373,383	295,337
Deferred tax		
Amortisation of intangible assets	-	(94,354)
Total deferred tax	-	(94,354)
Total tax charge	373,383	200,983

4. Tax expense (continued)

The tax assessed for the year is higher (2022: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2023 of 19% (2022: 19%). The differences are explained below:

	2023	2022
Reconciliation of standard tax rate	**£**	£
Profit / (loss) before tax	**296,861**	(38,663)
Current tax charge/(credit) at 19% *(2022 - 19%)*	**56,403**	(7,346)
Effects of:		
Non-deductible expenses	**606,639**	608,006
Prior year tax adjustments	**(4,297)**	(6,784)
Deferred tax credited to profit and loss for the year relating to intangible assets (note 6)	-	(94,354)
Timing differences	**(285,362)**	(298,539)
Total income tax	**373,383**	200,983

Reconciliation of Group's movement in deferred tax

	2023	2022
	£	£
Deferred tax		
Opening balance	-	94,354
Deferred tax charged to profit and loss for the year	-	(94,354)
Balance at the end of the financial year	-	-

The Company has no unrecognised losses to carry forward arising from the current period.

It was announced in the UK Budget on 3 March 2021 that the UK corporation tax rate would increase to 25% with effect from 1 April 2023.

On 23 September 2022 an emergency budget was announced which reversed the planned increase in the rate of the UK corporation tax to 25%.

Further, on 14 October 2022 the Prime Minister announced a return to the previously planned increase in the UK corporation tax rate to 25% from 1 April 2023.

There is no impact on the current tax charge in respect of these.

Aegletes Holdco Limited
Notes to the Financial Statements (continued)
31 March 2023
(In Pound Sterling (£) unless otherwise noted)

5. Property, plant and equipment

Breakdown for property, plant and equipment for the group for the year consists of the following:

Cost	**£**
At 1 April 2021	42,880,146
Additions	138,380
Disposals	(10,771)
At 31 March 2022	43,007,755
Additions	316,546
Disposals	(12,583)
Cost balance at 31 March 2023	43,311,718
Accumulated depreciation	
At 1 April 2021	12,669,996
Charge for the year	2,148,733
Disposals	(3,324)
At 31 March 2022	14,815,405
Charge for the year	2,158,479
Disposals	(4,810)
Depreciation as at 31 March 2023	**16,969,074**
Net book value as at 31 March 2023	**26,342,644**
Net book value as at 31 March 2022	28,192,350
Net book value as at 31 March 2021	30,210,150

Aegletes Holdco Limited has no property, plant or equipment as at 31 March 2023 and 2022.

6. Intangible assets

The intangible asset of customer contracts was acquired as part of the Levantera purchase on 4 January 2018 (see note 15 for details). They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives.

Cost	**£**
Balance at 1 April 2021, 31 March 2022 and 31 March 2023	19,462,460
Accumulated amortisation	
At 1 April 2021	3,416,711
Charge for the year	1,051,297
At 31 March 2022	4,468,008
Charge for the year	1,051,297
Amortisation as at 31 March 2023	**5,519,305**
Net book value as at 31 March 2023	**13,943,155**
Net book value as at 31 March 2022	14,994,452
Net book value as at 31 March 2021	16,045,749

Aegletes Holdco Limited has no intangible assets as at 31 March 2023 and 2022.

7. Restricted cash

The amounts held in the restricted cash account are in accordance with the loan referred to in note 11. The amounts are in the Debt Service Reserve Account ("DSRA") and the Defeasance account.

	Group		Company	
	2023	2022	**2023**	2022
	£	£	**£**	£
Restricted cash	**2,247,639**	1,950,235	**2,247,639**	1,950,235

8. Cash and bank and in hand

	Group		Company	
	2023	2022	**2023**	2022
	£	£	**£**	£
Cash at bank	**594,550**	709,801	**28,115**	56,580

9. Trade and other receivables

Trade and other receivables as at 31 March as are follows:

	Group		Company	
	2023	2022	**2023**	2022
	£	£	**£**	£
Trade receivables	**13,307**	5,619	**-**	-
Accrued income	**846,104**	998,827	**-**	-
Intercompany receivable	**-**	-	**200,000**	-
Prepaid expenses	**146,434**	164,161	**34,494**	52,080
VAT receivable	**29,875**	30,785	**4,037**	1,698
	1,035,720	1,199,392	**238,531**	53,778

Information about the impairment of trade receivables and the group's exposure to credit risk can be found in note 20.

The intercompany receivable balance is unsecured, interest free and repayable on demand.

10. Trade and other payables

Trade and other payables for the year are as follows:

	Group		Company	
	2023	2022	**2023**	2022
	£	£	**£**	£
Trade payables	**96,694**	63,144	**790**	3,640
Accrued expenses	**104,825**	69,734	**99,495**	63,588
Intercompany payable	**-**	-	**-**	9,685
	201,519	132,878	**100,285**	76,913

The intercompany payable balance is unsecured, interest free and repayable on demand.

11. Senior debt

On 5 June 2018, Legal & General Assurance Society Limited and Legal & General Investment Management Limited as Investment Manager for and on behalf of the board of The Pension Protection Fund ("Lenders") loaned £48,217,923 to the Company with the fixed interest rate of 2.89%. The loan has a term of 17 years, maturing in 2035, and repayments are payable semi-annually.

Group and Company	**2023**	2022
	£	£
Balance as at 1 April	**38,880,400**	41,122,860
Repayment of long-term loan	**(2,469,611)**	(2,359,162)
Accretion of financing costs	**79,931**	116,702
Total	**36,490,720**	38,880,400
Less: current portion - principal	**(2,575,482)**	(2,469,610)
Balance as at 31 March	**33,915,238**	36,410,790
Interest paid	**1,122,148**	1,191,160

Maturity analysis of principal:

	2023	2022
Amounts due	**£**	£
Less than 1 year	**2,575,482**	2,469,610
Between 1 – 2 years	**2,513,029**	2,575,482
Between 2 – 5 years	**7,781,802**	7,381,079
Over 5 years	**24,175,291**	27,089,043
Total	**37,045,604**	39,515,214

The difference between interest paid on senior debt and that disclosed in the Profit and Loss is interest revenue received and EIR interest recognised. The difference between the maturity analysis of the principal and that disclosed in the Balance sheet is interest revenue receivable and EIR interest recognisable.

12. Share capital

Allotted, called up and fully paid shares

	2023 Number	2022 Number	**2023 £**	2022 £
Ordinary of £1 each	**100**	100	**100**	100

During the year, the Company did not pay a dividend *(2022 - £150,000)*, to its immediate parent, Aegletes LP.

13. Additional paid up capital

The Company reorganised its reserves and on 2 December 2019 issued 59,665,967 ordinary shares with an aggregate nominal value of £59,665,867 for consideration of £59,665,867 to Aegletes LP. The Company subsequently on 4 December 2019 reduced the share capital issued to £100 and credited the amount distributable to reserves. Prior to this the Company had additional paid up share capital of £61,198,523.

14. Intercompany loan receivable

On 4 January 2018, the Company loaned £36,925,915 to Levantera. Interest on the loan accrues at a rate of 4% (2022 – 4%) per annum with the maturity date of 1 November 2035, this loan is unsecured.

	Company	
	2023	2022
	£	£
Opening balance	**17,968,217**	21,053,882
Debt repayment	**(3,515,504)**	(3,085,665)
Closing balance	**14,452,713**	17,968,217
Interest received during the year	**685,443**	813,315

15. Investments in Levantera

On 4 January 2018, the Company acquired 100% of the issued share capital of Levantera for a purchase consideration of £24,272,708, the balance remains the same at the year end. No impairment has been recognised in the year based on the impairment assessment performed.

16. Intercompany transactions

	Company	
	2023	2022
Debt due from related party within one year	**£**	£
Intercompany receivable from Levantera Developments Limited	**200,000**	-
Total due from related parties	**200,000**	-

	Company	
	2023	2022
Debt due to related party within one year	**£**	£
Loan due to Levantera Developments Limited	-	9,685
Total due to related parties	-	9,685

These balances are unsecured, interest free and are repayable on demand.

17. Directors' and employee remuneration

During year ended 31 March 2023 and 2022, all directors were employed by and received all remuneration from other Fiera Infrastructure Inc. undertakings. The directors perform directors' duties for multiple entities in the Fiera Infrastructure Inc. group, as well as their employment duties within Fiera Infrastructure Inc. group businesses. Consequently, allocating their employment compensation accurately across all these duties would not be feasible. Accordingly, no separate remuneration has been disclosed. The Company had no employees during the year *(2022 – nil)*.

18. Classification of financial and non-financial assets and financial and non-financial liabilities

The classification of financial assets and financial liabilities by accounting categorisation as at 31 March:

	Group		Company	
	2023	2022	**2023**	2022
	£	£	**£**	£
Financial assets measured at amortised cost				
Trade and other receivables	**1,035,720**	1,199,392	**38,532**	53,778
Intercompany receivable	-	-	**14,652,713**	17,968,217
	1,035,720	1,199,392	**14,691,245**	18,021,995
Financial liabilities measured at amortised cost				
Trade and other payables	**249,586**	665,906	**100,284**	67,228
Intercompany payable	-	-	-	9,685
	249,586	665,906	**100,284**	76,913
Non-financial assets measured at amortised cost				
Property, plant and equipment	**26,342,644**	28,192,350	-	-
Intangible assets	**13,943,155**	14,994,452	-	-
	40,285,799	43,186,802	-	-

19. Parent and ultimate parent undertaking

The Company's immediate parent is Aegletes LP. The ultimate parent and controlling party of the Company is Fiera Infra GP Inc. as General Partner of EagleCrest Infrastructure Canada LP. EagleCrest Infrastructure Canada LP indirectly owns the majority of the Company. The statements are not consolidated at either of these levels.

20. Financial risk management

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The Company's principal financial assets which are subject to credit risk are cash and cash equivalents, restricted cash and investments. The carrying amounts of financial assets on the statement of financial position, other than derivative financial instruments represent the Company's maximum exposure to credit risk at the statement of financial position date.

The credit risk on cash and cash equivalents and restricted cash is limited because the counterparties are commercial banks or financial institutions with high credit ratings assigned by independent credit rating agencies. The Company's credit risk is attributable primarily to its investments in Levantera. Levantera's primary source of revenue from electricity by means of photovoltaic ("PV") systems, comprising of residential and commercial rooftop solar systems in the United Kingdom and therefore, credit risk is limited.

Liquidity risk

Liquidity risk is the risk that an entity may encounter difficulties in meeting obligations associated with its financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure that sufficient resources and flexibility is maintained to allow the Company to meet its obligations without incurring unacceptable losses. It manages liquidity risk by maintaining adequate banking facilities and continuously monitoring actual cash flows.

20. Financial risk management (continued)

Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern and continue to pay ongoing operating expenses. The Company is not subject to externally imposed capital requirements.

The directors have reviewed the financial information available which indicates that the business is robust even in the face of any further significant and prolonged financial shock and the directors have considered the financial model including analysis of reasonable plausible worst case scenario and based on their analysis they are confident that it will continue to be on a going concern basis. The Company therefore also continues to adopt the going concern basis in preparing its financial statements.