

Registered number: 08377916

Sunsave 13 (Southwick) Limited

**Directors' report and financial statements
for the year ended 31 December 2016**



Sunsave 13 (Southwick) Limited

Company Information

Directors	C A Milner M A M Candlish C von Braun
Registered number	08377916
Registered office	14 High Cross Truro Cornwall TR1 2AJ
Accountants	Chavereys Mall House The Mall Faversham Kent ME13 8JL
Solicitors	Murrell Associates Limited 14 High Cross Truro Cornwall TR1 2AJ

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Sunsave 13 (Southwick) Limited
Registered number:08377916

Balance sheet
as at 31 December 2016

	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Intangible assets	5		55,226		-
Tangible assets	6		3,378,446		5,000
			<u>3,433,672</u>		<u>5,000</u>
Current assets					
Debtors: amounts falling due within one year	7	68,709		1,000	
Cash at bank and in hand	8	2,507		229	
		<u>71,216</u>		<u>1,229</u>	
Creditors: amounts falling due within one year	9	(3,522,719)		(9,000)	
Net current liabilities			<u>(3,451,503)</u>		<u>(7,771)</u>
Total assets less current liabilities			<u>(17,831)</u>		<u>(2,771)</u>
Net liabilities			<u>(17,831)</u>		<u>(2,771)</u>
Capital and reserves					
Called up share capital			2		2
Profit and loss account			(17,833)		(2,773)
			<u>(17,831)</u>		<u>(2,771)</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime 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 comprehensive income 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 on 23 May 2017.


E von Braun

Director

The notes on pages 3 to 9 form part of these financial statements.

Sunsave 13 (Southwick) Limited

Statement of changes in equity for the year ended 31 December 2016

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2015	2	(1,411)	(1,409)
Loss for the year	-	(1,362)	(1,362)
At 1 January 2016	2	(2,773)	(2,771)
Comprehensive income for the year			
Loss for the year	-	(15,060)	(15,060)
Total comprehensive income for the year	-	(15,060)	(15,060)
At 31 December 2016	2	(17,833)	(17,831)

Sunsave 13 (Southwick) Limited

Notes to the financial statements for the year ended 31 December 2016

1. General information

Sunsave 13 (Southwick) Limited is a company incorporated in the United Kingdom under the Companies Act. Its registered office address is 14 High Cross, Truro, Cornwall, TR1 2AJ.

The company's solar farm and principle place of business is located at Poleshole Farm, Brokerswood Road, Southwick, BA14 9PS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, under the historical cost convention. The disclosure requirements of Section 1A of FRS 102 have been applied.

These financial statements are the first financial statements the Company has prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) as applied to smaller entities by the adoption of Section 1A of FRS 102. The financial statements of the company for the year ended 31 December 2015 were prepared in accordance with Financial Reporting Standard for Smaller Entities (effective January 2015) ("FRSSE").

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from the FRSSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in retained earnings at the transition date.

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the basis the company is a going concern, which the directors consider appropriate.

The directors have separately reviewed integrated forecasts for the company, for the foreseeable future, which indicate that the company will be able to meet its cash flow demands and liabilities as they fall due from cash flows from operations and existing working capital.

2.3 Intangible assets

Intangible assets represent development work which gives the company the legal right to construct and operate the solar park. When the solar park becomes operational, the development work will be transferred to tangible fixed assets.

Sunsave 13 (Southwick) Limited

Notes to the financial statements for the year ended 31 December 2016

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is not charged on assets under construction.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.5 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.

2.6 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.

2.7 Financial instruments

Debt instruments including loans and other accounts receivable and payable, are measured at historical cost and are repayable on demand.

The company only enters into basic financial instruments 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 non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

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.

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

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Sunsave 13 (Southwick) Limited

Notes to the financial statements for the year ended 31 December 2016

2. Accounting policies (continued)

2.7 Financial instruments (continued)

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured at amortised cost using the effective interest method.

2.9 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

2.10 Taxation

Tax is recognised in the profit and loss account, 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. In the opinion of the directors there are no significant judgements that are not adequately detailed in the company's accounting policies as outlined above.

4. Employees

The average monthly number of employees during the year was nil (2015 - nil).

Sunsave 13 (Southwick) Limited

Notes to the financial statements for the year ended 31 December 2016

5. Intangible assets

	Development costs £
Cost	
Additions	55,226
At 31 December 2016	<u>55,226</u>
Net book value	
At 31 December 2016	<u>55,226</u>
At 31 December 2015	<u>-</u>

6. Tangible fixed assets

	Assets under construction £
Cost or valuation	
At 1 January 2016	5,000
Additions	3,373,446
At 31 December 2016	<u>3,378,446</u>
Net book value	
At 31 December 2016	<u>3,378,446</u>
At 31 December 2015	<u>5,000</u>

Sunsave 13 (Southwick) Limited

Notes to the financial statements for the year ended 31 December 2016

7. Debtors

	2016 £	2015 £
Other debtors	57,995	1,000
Prepayments and accrued income	10,714	-
	<u>68,709</u>	<u>1,000</u>

Included in other debtors is £8,764 (2015: £nil) held in a solicitors client account.

8. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	2,507	229
	<u>2,507</u>	<u>229</u>

9. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	71,823	6,000
Amounts owed to participating interests	281,636	2,000
Accruals and deferred income	3,169,260	1,000
	<u>3,522,719</u>	<u>9,000</u>

Other creditors includes £3,166,460 in relation to the company's EPC contract. At the year end the EPC work was 74% technically complete. The directors have recognised an accrual in respect of 74% of the EPC contract sum, representing the work which was uninvoiced but technically completed at the year end. A capital commitment has been recognised in respect of the remaining 26% since the directors expect the remaining EPC contract sum will be invoiced and paid in 2017 once the EPC contract is technically fulfilled.

Sunsave 13 (Southwick) Limited

Notes to the financial statements for the year ended 31 December 2016

10. Financial instruments

	2016 £	2015 £
Financial assets		
Cash and cash equivalents	2,507	229
VAT at transaction value	49,232	1,000
Other debtors measured at transaction value	8,764	-
	<u>60,503</u>	<u>1,229</u>
Financial liabilities		
Trade creditors measured at transaction value	71,823	6,000
	<u>71,823</u>	<u>6,000</u>

11. Capital commitments

At 31 December 2016 the company had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	1,112,540	-
	<u>1,112,540</u>	<u>-</u>

12. Commitments under operating leases

At 31 December 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	42,897	-
Later than 1 year and not later than 5 years	180,343	-
Later than 5 years	1,496,382	-
	<u>1,719,622</u>	<u>-</u>

The company signed a 30 year lease on 2 September 2016 over the land on which it has constructed a solar park.

The company may break the lease any time after 2 September 2036 by giving the landlord 12 months prior written notice, provided that the company complies with the covenants imposed by the lease.

The lease includes a mechanism to uplift the rent annually to reflect an increase in the retail prices index (RPI). The operating lease commitment shown above assumes the RPI will rise at 2% per annum over the remaining lease term.

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**Notes to the financial statements
for the year ended 31 December 2016**

13. Controlling party

During the year the company was controlled by its directors. There is no ultimate controlling party.