

Company registration number 11913504 (England and Wales)

SOLAR 2 LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
PAGES FOR FILING WITH REGISTRAR

SOLAR 2 LIMITED

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SOLAR 2 LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Investments	4		100		100
Current assets					
Stocks		100,724		62,696	
Debtors	5	1,355,012		627,311	
Cash at bank and in hand		18,406		737,649	
		<u>1,474,142</u>		<u>1,427,656</u>	
Creditors: amounts falling due within one year	6	<u>(4,224,522)</u>		<u>(3,010,378)</u>	
Net current liabilities			(2,750,380)		(1,582,722)
Net liabilities			<u>(2,750,280)</u>		<u>(1,582,622)</u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss reserves			<u>(2,750,380)</u>		<u>(1,582,722)</u>
Total equity			<u>(2,750,280)</u>		<u>(1,582,622)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

SOLAR 2 LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2024

The financial statements were approved by the board of directors and authorised for issue on 28 March 2025 and are signed on its behalf by:

Mrs Paula Marian Jewson
Director

Company registration number 11913504 (England and Wales)

SOLAR 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Company information

Solar 2 Limited is a private company limited by shares incorporated in England and Wales. The registered office is Linden House, Unit 4 Mold Business Park, Wrexham Road, Mold, Flintshire, CH7 1XP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Stocks

Work in progress includes all directly attributable costs incurred in the development of solar energy sites which are expected to secure project land rights. This is valued at the lower of cost and net realisable value.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

SOLAR 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

SOLAR 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2024 Number	2023 Number
Total	-	-
	==	==

4 Fixed asset investments

	2024 £	2023 £
Shares in group undertakings and participating interests	100	100
	==	==

SOLAR 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Fixed asset investments

(Continued)

Berryhill Solar Farm Limited

Registered office: Wind 2 Office, 2 Walker Street, Edinburgh, EH3 7LB

Nature of business: Solar energy development

Class of shares: Ordinary

Holding: 100.00%

5 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	-	2,329
Amounts owed by group undertakings	851,162	487,547
Other debtors	2,190	11,483
Prepayments and accrued income	11,596	25,052
	<u>864,948</u>	<u>526,411</u>
Deferred tax asset (note 7)	490,064	100,900
	<u>1,355,012</u>	<u>627,311</u>

6 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	12,076	169,587
Amounts owed to related undertakings	329,383	613,533
VAT	5,752	172
Accruals and deferred income	43,102	2,500
Loan from parent undertaking	3,834,209	2,224,586
	<u>4,224,522</u>	<u>3,010,378</u>

7 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2024	Assets 2023
Balances:	£	£
Tax losses	<u>490,064</u>	<u>100,900</u>

SOLAR 2 LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Deferred taxation (Continued)

	2024 £
Movements in the year:	
Asset at 1 April 2023	(100,900)
Credit to profit or loss	(389,164)
	<u> </u>
Asset at 31 March 2024	(490,064)
	<u> </u>

8 Called up share capital

	2024 Number	2023 Number	2024 £	2023 £
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

9 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2024 £	2023 £
2,796	13,140
<u> </u>	<u> </u>

10 Related party transactions

The company has taken advantage of the exemption provided by FRS 102 Section 1A from disclosing transactions with members of the same group that are wholly owned.

During the year the company repaid £284,140 (2023 - £613,533 [borrowed from]) to entities related by common control and £329,383 (2023 - £613,533) was outstanding at 31 March 2024 and included within other creditors.

During the year the company acquired services from companies related by common control amounting to £70 (2023 - £1,702). At 31 March 2024 a balance of £nil (2023 - £60) was outstanding and included in trade creditors.

All transactions are carried out under normal commercial terms.

11 Parent company

The company is a wholly owned subsidiary of Wind 2 Limited, a company incorporated in England and Wales.

