

Enviromena International Holdings Limited

Consolidated Annual Report and Financial Statements

31 March 2023

Registered number 12074634

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Company Information

Directors	C D Marsh A Pike S S Toor C Allen D Sarin J Skinner
Company secretary	C Allen
Company number	12074634
Registered office	15 Diddenham Court Lambwood Hill Grazeley Reading Berkshire RG7 1JQ
Independent auditor	Anderson Anderson & Brown Audit LLP Kingshill View Prime Four Business Park Kingswells Aberdeen AB15 8PU

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Directors' Report

The Directors present their report and the financial statements for the year ended 31 March 2023.

Enviromena International Holdings Limited ("the Company") serves as the senior holding company for the Enviromena International Holdings Limited Group ("the Group").

Prior period restructuring events

The Group and Company's financial year end was changed from 31 December to 31 March to align with the end of the UK tax year. Accordingly, the prior period comparative figures in the financial statements have been prepared for 15 months from 1 January 2021 to 31 March 2022 and therefore the figures stated in the statement of comprehensive income, statement of changes in equity and the related notes are not directly comparable with the current year results.

Post balance sheet events

Disposal of subsidiaries

On 18 May 2023, the Company disposed of its investment in a direct subsidiary, Enviromena Middle East Holdings Limited, which in turn owned Enviromena Solar Asset Saudi Energy LLC. The disposal was recorded at book value for the shares and therefore there was no gain or loss on the transaction. The acquiring entity was M E Developments Limited (incorporated in Jersey with company number 125171), an entity under common control.

Post year end restructuring events

Post year end, and prior to the signing of these financial statements, the following restructuring events took place for both the Company and the Group:

On 27 June 2023:

- The Company's immediate parent entity, AIP Infrastructure LP, contributed its shareholdings in the Company to Solarmena LP (incorporated in Scotland with company number SL036339).
- Solarmena LP subsequently contributed its shareholdings in the Company to Apollomena Limited (company number 14920168) in exchange for the issue of new shares in Apollomena Limited.
- Immediately following the share transfers, the intragroup loan the Company previously owed to AIP Infrastructure LP was assigned to Apollomena Limited through a series of loan novations.

The purpose of these events was to merge the Group with a portfolio of fully operational Solar PV sites, whose energy sales will finance the future development costs and working capital requirements of the Group. The ultimate ownership of the Company and Group remains unchanged.

Post year-end, the Group received c.£4.5m by way of intragroup loans from AIP Infrastructure LP (novated to Apollomena Limited via Solarmena LP on 27 June 2023 as noted above).

There were no other significant events that would require adjustment to the Group or Company's financial statements.

Directors

The directors, who served throughout the year and to the date of signing of the accounts were as follows:

C C Fisher (resigned 31 May 2023)
C D Marsh
A Pike
S S Toor
C Allen (appointed 8 June 2022)
D Sarin (appointed 16 June 2023)
J Skinner (appointed 16 June 2023)

Directors' Report *(continued)*

Business activities

The Group is committed to leading the transition to a world powered by clean energy by providing safe, affordable, and reliable clean energy solutions to customers across the UK and Europe. We are a fully-integrated development and operations platform, involved in the full lifecycle of our projects – from origination and development, through construction, to long-term financial management, operations and maintenance. In everything we do, we strive to create a lasting platform for our customers, counter parties, partners, and stakeholders.

We are committed to improving the communities and places within which we operate by constantly evaluating the long-term impacts of our business activities. We absolutely prioritise safe working conditions, care for the environment, respect for our employees and the communities we interact with and building lasting and trusted relationships with our business partners.

Business review

Financial overview

The Group has recorded a 300% increase in revenue, increasing from £3,321,175 for the 15-month period ended 31 March 2022 to £13,505,917 for the financial year ended 31 March 2023. This increase is predominately driven by the energisation of our Three Maids Hill development which is detailed further in the operational overview below.

The Group continues to make significant investment in our development pipeline, which has increased from 1GW at 31 March 2022 to over 2GW at 31 March 2023. Excluding refundable grid deposits, development costs are expensed as incurred and reflected in our EBITDA result.

Operational overview

In the UK, in November 2022, the Group successfully energised its first solar site, a 25.4MW solar PV site at Three Maids Hill ('Three Maids' - Winchester, Hampshire). This is a significant milestone in the history of the Group and showcases our operational capability. The site is now being actively monitored by our O&M teams to keep the site at peak operational performance.

Additionally, the Group began construction on a further three UK solar PV sites – namely Horsey Levels ('Horsey' – 24.2MW in Bridgewater, Somerset), Kiln Fields ('Kiln' – 17.9MW in Hook, Hampshire) and Bryngolwg ('Bryn' 8.9MW in Aberdare, Wales). The majority of the construction revenues for these sites are expected in FY2024 with energisation due by March 2024.

Complementing our progress in the UK, we began construction activities on the first two sites from our 250MW development pipeline in Italy. Both of these sites are situated in the Puglia region with construction commencing in Q4 2022/Q1 2023 respectively, ahead of planned energisation in Q3 2023.

Directors' Report *(continued)*

Results and dividends

Summary results for the year ended 31 March 2023 (and comparative results for the 15 month period ended 31 March 2022) are shown below:

	Year ended 31 March 2023 £000	15-month period ended 31 March 2022 £000
Revenue	13,506	3,321
Gross profit	920	654
EBITDA	(3,870)	(9,532)
Loss for the year/period	(5,408)	(9,853)
Adjusted EBITDA*	(3,870)	(2,511)

**Adjusted EBITDA is defined as earnings before interest, tax, depreciation, amortisation and one-off accounting adjustments relating to legacy development costs and bad debt write offs. The Group's previous accounting policy was to treat development costs as work-in-progress, however the policy was changed during the prior period to expense as incurred.*

No ordinary dividends were paid during the period and the directors do not recommend payment of a further dividend.

Going concern

At the year end, the Group had net liabilities of £7,508,071 (2022: £2,178,643) and net current liabilities of £6,160,883 (2022: £424,818). Included within creditors are loan balances of £3,233,057 (2022: £3,399,980) due to companies under the control of the ultimate controlling party, AIP Infrastructure LP. These balances will not be repaid to the detriment of other creditors and the immediate parent (now Apollomena Limited per "Post Year End Restructuring Events" section – see above) will continue to provide support to the Group.

Following the restructuring steps detailed earlier in this Directors' Report, the Directors remain confident that the Company and Group can continue to operate as a going concern. In summary, the Group has been merged with a portfolio of generating assets, with the cash generated from energy sales by this portfolio being used to finance the Group's development costs and working capital requirements. With this funding in place, the Company and Group will continue to meet its obligations as they fall due and operate as a going concern.

The Directors, having made an informed judgement at the time of approving the financial statements, believe there is a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Qualifying third party indemnity provisions

The Company, as permitted by section 234 and section 235 of the companies Act 2006, maintains insurance cover on behalf of the directors, indemnifying them against certain liabilities which may be incurred by them in relation to the Company.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Directors' Report *(continued)*

Auditor

The auditor, Anderson Anderson & Brown Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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C D Marsh
Director
17 August 2023

Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Independent Auditor's Report to the members of Enviromena International Holdings Limited

Opinion

We have audited the financial statements of Enviromena International Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 31 March 2023, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2023 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 or the parent 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.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Independent Auditor's Report to the members of Enviromena International Holdings Limited *(continued)*

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Group strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 parent 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 parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 Auditor's 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 Group 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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

Independent Auditor's Report to the members of Enviromena International Holdings Limited *(continued)*

Auditor's responsibilities for the audit of the financial statements *(continued)*

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the company's key performance indicators to meet targets
- Timing and completeness of revenue recognition
- Management judgement applied in calculating provisions
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the company needs to comply with for the purpose of trading


Our audit procedures to respond to these risks included:

- Testing of journal entries and other adjustments for appropriateness
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing judgments made by management in their calculation of accounting estimates for potential management bias
- Enquiries of management about litigation and claims and inspection of relevant correspondence
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations
- Considered the appropriateness of management's going concern assumption
- Enquiries on the recoverability of debtors and creditors

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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James Pirrie (Senior statutory auditor)
for and on behalf of
Anderson Anderson & Brown Audit LLP
Statutory Auditor
Kingshill View
Prime Four Business Park
Kingswells
Aberdeen AB15 8PU
17 August 2023

Consolidated Statement of Comprehensive Income
for the year ended 31 March 2023

	Notes	Year ended 31 March 2023 £	15 months ended 31 March 2022 £
Turnover	4	13,505,917	3,321,175
Cost of sales		(12,586,009)	(2,667,542)
Gross profit		919,908	653,633
Administrative expenses		(5,627,483)	(6,580,471)
Exceptional administrative expenses	9	-	(3,879,981)
Operating loss	5	(4,707,575)	(9,806,819)
Interest payable and similar expenses	8	(700,489)	(46,120)
Loss before taxation		(5,408,064)	(9,852,939)
Taxation	10	-	-
Loss for the financial year/period		(5,408,064)	(9,852,939)
Other comprehensive income			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences		78,636	-
Other comprehensive loss for the year/period		78,636	-
Total comprehensive loss for the year/period		(5,329,428)	(9,852,939)

The statement of comprehensive income has been prepared on the basis that all results are derived from continuing operations.

The total comprehensive loss for the current and prior year was attributable to the owners of the parent company.

The notes on pages 14 to 32 form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position
at 31 March 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Intangible assets	11		1,244,307		1,451,294
Tangible assets	12		61,148		80,719
			<hr/>		<hr/>
Total non-current assets			1,305,455		1,532,013
Current assets					
Stocks	14	4,664,282		1,985,744	
Debtors: amounts falling due within one year	15	2,294,299		2,460,460	
Cash at bank and in hand	16	1,446,928		2,007,214	
			<hr/>		<hr/>
Total current assets			8,405,509		6,453,418
Creditors: amounts falling due within one year	17	(14,566,392)		(6,878,236)	
			<hr/>		<hr/>
Net current liabilities			(6,160,883)		(424,818)
			<hr/>		<hr/>
Total assets less current liabilities			(4,855,428)		1,107,195
Creditors: amounts falling due after more than one year	18	(2,652,643)		(3,285,838)	
			<hr/>		<hr/>
Net liabilities			(7,508,071)		(2,178,643)
			<hr/> <hr/>		<hr/> <hr/>
Capital and reserves					
Called up share capital	21		830,001		830,001
Share premium account	21		7,458,240		7,458,240
Foreign currency translation reserve	24		78,636		-
Profit and loss account	24		(15,874,948)		(10,466,884)
			<hr/>		<hr/>
Total equity			(7,508,071)		(2,178,643)
			<hr/> <hr/>		<hr/> <hr/>

The Group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The notes on pages 14 to 32 form an integral part of these consolidated financial statements.

The financial statements of Enviromena International Holdings Limited were approved by the board of directors and authorised for issue on 17 August 2023. They were signed on its behalf by:

DocuSigned by:



C D Marsh

Director

Company registered number: 12074634

Company Statement of Financial Position
at 31 March 2023

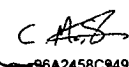
	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Intangible assets	11		501,444		588,651
Investments	13		2		3
Total non-current assets			501,446		588,654
Current assets					
Debtors: amounts falling due within one year	15	7,285,354		7,538,850	
Cash at bank and in hand	16	14,875		4,789	
Total current assets		7,300,229		7,543,639	
Creditors: amounts falling due within one year	17	(31,024)		(45,311)	
Net current assets			7,269,205		7,498,328
Total assets less current liabilities			7,770,651		8,086,982
Net assets			7,770,651		8,086,982
Capital and reserves					
Called up share capital	21		830,001		830,001
Share premium account	24		7,458,240		7,458,240
Profit and loss account	24		(517,590)		(201,259)
Total equity			7,770,651		8,086,982

The notes on pages 14 to 32 form an integral part of these consolidated financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The loss for the financial year dealt with in the financial statements of the parent company was £316,331 (15 month period to 31 March 2022: loss of £199,059).

These financial statements were approved by the board of directors and authorised for issue on 17 August 2023. They were signed on its behalf by:

DocuSigned by:

 C B Marsh
 Director
 Company registered number: 12074634

Consolidated Statement of Changes in Equity*at 31 March 2023*

	Notes	Called up share capital £	Share premium account £	Foreign currency translation reserve £	Profit and loss account £	Total equity £
Balance at 1 January 2021		1	-	-	(613,945)	(613,944)
Loss for the period		-	-	-	(9,852,939)	(9,852,939)
Total comprehensive loss for the period		-	-	-	(9,852,939)	(9,852,939)
Shares issued in the period	21	830,000	7,458,240	-	-	8,288,240
Total transactions with owners		830,000	7,458,240	-	-	8,288,240
Balance at 31 March 2022		830,001	7,458,240	-	(10,466,884)	(2,178,643)
Loss for the year		-	-	-	(5,408,064)	(5,408,064)
Currency translation differences		-	-	78,636	-	78,636
Total comprehensive loss for the year		-	-	78,636	(5,408,064)	(5,329,428)
Balance at 31 March 2023		830,001	7,458,240	78,636	(15,874,948)	(7,508,071)

The notes on pages 14 to 32 form an integral part of these consolidated financial statements.

Company Statement of Changes in Equity
at 31 March 2023

	Notes	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
Balance at 1 January 2021		1	-	(2,200)	(2,199)
Loss for the period		-	-	(199,059)	(199,059)
Total comprehensive loss for the period		-	-	(199,059)	(199,059)
Shares issued during the period	21	830,000	7,458,240	-	8,288,240
Total transactions with owners		830,000	7,458,240	-	8,288,240
Balance at 31 March 2022		830,001	7,458,240	(201,259)	8,086,982
Loss for the year		-	-	(316,331)	(316,331)
Total comprehensive loss for the year		-	-	(316,331)	(316,331)
Balance at 31 March 2023		830,001	7,458,240	(517,590)	7,770,651

The notes on pages 14 to 32 form an integral part of these consolidated financial statements.

Notes *(forming part of the financial statements)*

1 General information

Enviromena International Holdings Limited is a private company limited by shares in the UK, registered in England and Wales. The registered office is Unit 15 Diddenham Court, Lambwood Hill, Grazeley, Reading, RG7 1JQ.

The principal activity of the Company is to act as a holding company for the wider Group. The Group's principal activity is the development, construction, operation and management of solar PV and energy storage sites in the UK and Europe.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' ('FRS 102') 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 Group management to exercise judgement in applying the Group's accounting policies, see note 3 for further details.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

2.2 Exemptions for qualifying entities

The Company has taken advantage of the following exemptions under FRS 102 in its individual financial statements:

- from preparing a statement of cash flow under the exemption allowed under FRS 102 paragraph 1.12(b);
- from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures;
- from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

The Group has taken advantage of the following exemptions on the basis that the Group qualifies as small:

- from preparing a strategic report under section 414A of the Companies Act 2006;
- from preparing a consolidated statement of cash flows under the exemption allowed under FRS 102 paragraph 3.1B;
- from disclosing the remuneration and other benefits attributable to the highest paid director

2.3 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary.

Notes (forming part of the financial statements)

2 Accounting policies (continued)

2.3 Basis of consolidation (continued)

Where a subsidiary has different accounting policies to the group, adjustments are made to those subsidiary financial statements to apply the group's accounting policies when preparing the consolidated financial statements.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The Group is not required to prepare a set of consolidated financial statements for the year, however it has elected to do so in line with expected growth in subsequent reporting periods.

2.4 Going concern

At the year end, the Group had net liabilities of £7,508,071 (2022: £2,178,643) and net current liabilities of £6,160,883 (2022: £424,818). Included within creditors are loan balances of £3,233,057 (2022: £3,399,980) due to companies under the control of the ultimate controlling party, AIP Infrastructure LP. These balances will not be repaid to the detriment of other creditors and the immediate parent (now Apollomena Limited per "Post Year End Restructuring Events" section – see Directors' Report) will continue to provide support to the Group.

Following the restructuring steps detailed earlier in the Directors' Report, the Directors remain confident that the Company and Group can continue to operate as a going concern. In summary, the Group has been merged with a portfolio of generating assets, with the cash generated from energy sales by this portfolio being used to finance the Group's development costs and working capital requirements. With this funding in place, the Company and Group will continue to meet its obligations as they fall due and operate as a going concern.

The Directors, having made an informed judgement at the time of approving the financial statements, believe there is a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

2.5 Foreign currency translation

Functional and presentation currency

The Group and Company's functional and presentational currency is pound sterling. Figures are rounded to the nearest pound.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

Notes (forming part of the financial statements)

2 Accounting policies (continued)

2.5 Foreign currency translation (continued)

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.6 Revenue

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 at the fair value of the consideration received or receivable, excluding any discounts, rebates, value added tax and other sales taxes.

Revenue from sale of goods

Revenue from the sale of goods is recognised when goods have been delivered to customers such that the risks and rewards of ownership have been transferred to them.

Revenue from service contracts

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the pattern of service delivered under the contract when both the amount of revenue can be measured reliably and it is probable that the Company will receive the consideration due under contract. For each new contract with a customer, the Company:

- 1) identifies the contract;
- 2) identifies the performance obligations included within the contract;
- 3) determines the transaction price, taking into account variable consideration and the time value of money;
- 4) allocates the transaction price to the separate performance obligations on the basis of the standalone selling price of each distinct good or service to be delivered; and
- 5) recognises revenue when each performance obligation is satisfied in a manner that depicts the transfer to the customer of the good or services promised.

2.7 Operating leases: the Group as lessee

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

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 5 to 7 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.9 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.

Notes (forming part of the financial statements)**2 Accounting policies (continued)****2.10 Borrowing costs**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Pensions**Defined contribution pension plan**

The Group contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.12 Exceptional items

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

2.13 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Notes (forming part of the financial statements)**2 Accounting policies (continued)****2.14 Intangible assets****Goodwill**

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

Goodwill is amortised over its expected useful life which is estimated to be 10 years. Amortisation is recognised within administrative expenses within the statement of comprehensive income. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the statement of comprehensive income within administrative expenses.

Software

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software	- 5-7 years
----------	-------------

Amortisation is recognised within administrative expenses within the statement of comprehensive income.

2.15 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 provided on the following basis:

Long-term leasehold property	- remaining duration of the lease
Fixtures and fittings	- 5 years
Office equipment	- 5 years
Computer equipment	- 4 years
Other fixed assets	- 2-5 years

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 profit or loss.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Notes (forming part of the financial statements)

2 Accounting policies (continued)

2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately within administrative expenses within the statement of comprehensive income.

2.18 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.

2.19 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.

2.20 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.

2.21 Financial instruments

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Notes (forming part of the financial statements)

2 Accounting policies (continued)

2.21 Financial instruments (continued)

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of transaction costs.

(iii) Derivative financial instruments

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

The fair value of assets and liabilities are determined using either unadjusted quoted prices in active markets (Level 1) or pricing inputs that are observable (Level 2) whenever that information is available and using unobservable inputs (Level 3) to estimate fair value only when relevant observable inputs are not available. The Group uses valuation techniques that maximize the use of observable inputs. Assets and liabilities are classified in their entirety based on the lowest priority level of input that is significant to the fair value measurement.

2.22 Distributions to equity holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

2.23 Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the group financial statements.

Notes (forming part of the financial statements)

3 Accounting estimates and judgements

In preparation of the financial statements, management makes certain judgements and estimates that impact the financial statements. While these judgements are continually reviewed, the facts and circumstances underlying these judgements may change, resulting in a change to the estimates that could impact the results of the Group.

Critical judgements

The Directors have assessed the application of the going concern basis in the preparation of the financial statements. Please see note 2.4 for further details.

Critical estimates

Revenue recognition for service contracts

The assessment of service contracts, which, by their nature, are inherently complex, as well as the application of FRS 102 Section 23 to these contracts. Deriving input-based revenue recognised over time requires management to exercise judgement around the identification of performance obligations as well as to estimate total costs to complete the contract in order to determine the percentage stage of completion at the reporting date and hence the amount of revenue to recognise to date.

4 Turnover

An analysis of the Group's turnover by class of the business is set out below.

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Turnover:		
Engineering, procurement & construction ('EPC')	13,042,304	2,799,377
Operations & maintenance ('O&M')	65,832	-
Asset management ('AM')	291,313	338,474
Other	106,468	183,324
Total	13,505,917	3,321,175

An analysis of the Group's turnover by geographical market is set out below.

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Turnover:		
United Kingdom	13,060,954	3,200,680
Europe	444,963	120,495
Total	13,505,917	3,321,175

Notes (forming part of the financial statements)**5 Operating Loss**

Operating loss is stated after charging/(crediting):

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Depreciation of tangible fixed assets	31,000	25,275
Loss on disposal of fixed assets	11,371	4,834
Gain on disposal of subsidiary	(5,296)	-
Amortisation of intangible assets	196,248	249,636
Foreign exchange losses/(gains)	186,607	(366,220)
Loss on change in fair value of derivative financial instruments	291,997	-
Operating lease charges	97,653	87,854
Fees payable to the company's auditor and its associates for the audit of the parent company and the group's consolidated financial statements	25,400	26,900
Fees payable to the company's auditor and its associates for other services:		
- Tax compliance services	9,950	7,650
- Accounts preparation services	-	3,500
	<u> </u>	<u> </u>

6 Staff numbers and costs**Group**

The average monthly number of employees for the Group, excluding the directors, during the period was as follows:

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Average number of employees	19	15
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Wages and salaries	1,636,224	1,274,344
Social security costs	172,172	111,063
Pension costs	127,510	77,794
	<u>1,935,906</u>	<u>1,463,201</u>

Company

The Company has no employees other than the directors, who did not receive any remuneration from the Company (2022 - £nil).

Notes (forming part of the financial statements)**7 Directors' remuneration****Group**

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Directors' emoluments	263,657	35,667
Group contributions to defined contribution pension schemes	18,486	1,070
	<u>282,143</u>	<u>36,737</u>

The total number of directors who received remuneration during the year was 2 (2022: 1).

The highest paid director received remuneration of £142,271 (2022: £35,667).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,051 (2022: £1,070).

8 Interest payable and similar expenses

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Loan interest payable	700,489	46,120
	<u>700,489</u>	<u>46,120</u>

Loan interest payable relates to interest on a short-term financing facility accruing at 18% p.a. Additionally, included within the current year amount is £222,689 relating to a repayment premium. Please refer to note 17 for further details.

9 Exceptional items

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Exceptional costs relating to bad debts	-	3,879,981
	<u>-</u>	<u>3,879,981</u>

Exceptional costs in the prior period related to the write off of intercompany balances which were no longer receivable.

Notes (forming part of the financial statements)**10 Taxation**

(a) The tax charge is made up as follows:

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Current tax		
UK corporation tax	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>
Total per income statement	-	-
	<hr/> <hr/>	<hr/> <hr/>

(b) Factors affecting the current tax charge

	Year ended 31 March 2023	15 month period ended 31 March 2022
	£	£
Loss on ordinary activities before tax	(5,408,064)	(9,852,939)
	<hr/>	<hr/>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2022: 19%)	(1,027,532)	(1,872,058)
Effects of:		
Fixed asset differences	(177)	(1,469)
Expenses not deductible	77,661	799,739
Income not taxable	-	(368)
Remeasurement of deferred tax for changes in tax rates	(234,064)	(216,223)
Deferred tax not recognised	975,270	649,587
Losses from foreign subsidiaries	208,842	640,792
	<hr/>	<hr/>
	-	-
	<hr/> <hr/>	<hr/> <hr/>

Deferred taxes have been measured at 25% (2022: 25%) which represents future and corporation tax that was enacted at the balance sheet date. The UK budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the COVID 19 pandemic. These included increase to the UK's main corporation tax rate to 25%, which became effective from 1 April 2023. These changes were substantively enacted on 24 May 2021.

Notes (forming part of the financial statements)

11 Intangible assets

Group	Software £	Goodwill £	Total £
Cost			
At 1 April 2022	774,369	914,337	1,688,706
Additions	1,450	-	1,450
Disposals	(24,762)	-	(24,762)
Foreign exchange adjustments	85	-	85
	<hr/>	<hr/>	<hr/>
At 31 March 2023	751,142	914,337	1,665,479
	<hr/>	<hr/>	<hr/>
Amortisation			
At 1 April 2022	123,120	114,292	237,412
Charge for the year	104,814	91,434	196,248
On disposals	(12,522)	-	(12,522)
Foreign exchange adjustments	34	-	34
	<hr/>	<hr/>	<hr/>
At 31 March 2023	215,446	205,726	421,172
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2023	535,696	708,611	1,244,307
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2022	651,249	800,045	1,451,294
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Company			
			Software £
Cost			
At 1 April 2022 and 31 March 2023			610,453
			<hr/>
Amortisation			
At 1 April 2022			21,802
Charge for the year			87,207
			<hr/>
At 31 March 2023			109,009
			<hr/>
Net book value			
At 31 March 2023			501,444
			<hr/> <hr/>
At 31 March 2022			588,651
			<hr/> <hr/>

The item noted above relates solely to an O&M reporting tool "Enviromena+" which provides the Company with data for solar assets that are being monitored.

Notes (forming part of the financial statements)**12 Tangible fixed assets****Group**

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost						
At 1 April 2022	26,147	13,960	10,952	45,170	9,765	105,994
Additions	4,248	967	-	2,019	3,640	10,874
Foreign exchange adjustments	-	256	-	448	31	735
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	30,395	15,183	10,952	47,637	13,436	117,603
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation						
At 1 April 2022	530	3,871	7,798	9,127	3,949	25,275
Charge for the year	6,530	4,158	1,465	13,683	5,164	31,000
Foreign exchange adjustments	-	75	-	99	6	180
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	7,060	8,104	9,263	22,909	9,119	56,455
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value						
At 31 March 2023	23,335	7,079	1,689	24,728	4,317	61,148
At 31 March 2022	25,617	10,089	3,154	36,043	5,816	80,719
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Company

The company had no tangible fixed assets at 31 March 2023 (2022: £nil).

13 Fixed asset investments**Company**

	Investments in subsidiary companies £
Cost	
At 1 April 2022	3
Disposal	(1)
	<hr/>
At 31 March 2023	2
	<hr/>
Net book value	
At 31 March 2023	2
At 31 March 2022	3
	<hr/> <hr/>

Notes (forming part of the financial statements)**13 Fixed asset investments (continued)****Subsidiary undertakings**

The following were subsidiary undertakings of the Company as at 31 March 2023 and 31 March 2022, all of which are included in these consolidated accounts:

Name	Registered office	Class of shares	Nature of business	Holding
Enviromena Europe Holdings Limited* ***	England	Ordinary	Holding company	100%
Enviromena Middle East Holdings Limited * *** ****	England	Ordinary	Holding company	100%
Enviromena Project Management UK Limited** ****	England	Ordinary	Development and EPC services for solar sites	100%
Enviromena Asset Management UK Limited** ****	England	Ordinary	AM and O&M services for solar sites	100%
Enviromena Asset Management Italia S.r.l.**	Italy	Ordinary	AM and O&M services for solar sites	100%
Enviromena Solar Asset Saudi Energy LLC** ****	Saudi Arabia	Ordinary	Dormant	100%
Enviromena Project Management Italia S.r.l.**	Italy	Ordinary	Development and EPC services for solar sites	100%

All of the above subsidiaries that are incorporated in England have their registered office at the same address as the parent company, 15 Diddenham Court, Lambwood Hill, Grazeley, Reading, Berkshire, United Kingdom, RG7 1JQ.

All of the above subsidiaries that are incorporated in Italy have their registered offices at Viale Pasteur, 78, 00144, Roma (RM), Italy.

The subsidiary that is incorporated in Saudi Arabia has its registered office at Industrial Valley 3, King Abdullah Economic City, Rabigh, Kingdom of Saudi Arabia.

Enviromena Technology Holdings Limited was a 100% owned subsidiary which dissolved on 12 April 2022. A gain on disposal has been recognised of £5,296 within administrative expenses within the statement of comprehensive income.

*A directly held subsidiary

**An indirectly held subsidiary

***For the year ended 31 March 2023, the company is entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies:

****The investment in these companies were sold post year end (see note 25 for further details)

14 Stocks

	Group	
	2023	2022
	£	£
Work in progress	4,615,573	1,985,744
Spare parts	48,709	-
	<u>4,664,282</u>	<u>1,985,744</u>

There is no significant difference between the replacement cost of stock and its carrying amount.

Company

The Company had no stock at 31 March 2023 (2022: £nil).

Notes (forming part of the financial statements)

15 Debtors

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	202,797	27,945	-	-
Other debtors	493,542	253,649	5,908	134,120
Prepayments and accrued income	1,164,101	1,038,855	75,387	-
Amounts owed by related parties	433,859	1,140,011	3,623	1
Amounts owed by group undertakings	-	-	7,200,436	7,404,729
	<u>2,294,299</u>	<u>2,460,460</u>	<u>7,285,354</u>	<u>7,538,850</u>

Amounts owed by group undertakings and related parties are unsecured, repayable on demand and non-interest bearing.

16 Cash and cash equivalents

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Cash at bank and in hand	1,446,928	2,007,214	14,875	4,789
Less: bank overdrafts	-	(5)	-	-
	<u>1,446,928</u>	<u>2,007,209</u>	<u>14,875</u>	<u>4,789</u>

17 Creditors: amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank overdrafts	-	5	-	-
Other loans	5,242,654	1,542,164	-	-
Trade creditors	1,131,240	1,403,634	19,013	41,309
Amounts owed to related parties	580,414	114,142	1	1
Amounts owed to group undertakings	-	-	1	1
Other taxation and social security	19,306	460,819	-	-
Other creditors	59,795	18,059	-	-
Derivative financial instruments (note 20)	291,997	-	-	-
Accruals and deferred income	7,240,986	3,339,413	12,009	4,000
	<u>14,566,392</u>	<u>6,878,236</u>	<u>31,024</u>	<u>45,311</u>

Amounts owed to group undertakings and related parties are unsecured, repayable on demand and non-interest bearing.

The other loans balance noted above relates to a short-term financing facility accruing interest at 18% pa. Included within the amounts noted above are £4,500,000 (2022: £1,500,000) of principal outstanding and £519,965 (2022: £42,164) of interest payable. Additionally, in the current year there is a repayment premium of £450,000 due on the loan, of which £222,689 has been accrued at 31 March 2023. The loan is due for repayment within one year.

Notes (forming part of the financial statements)

18 Creditors: amounts falling due after one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Amounts owed to related parties	2,652,643	3,285,838	-	-
	<u>2,652,643</u>	<u>3,285,838</u>	<u>-</u>	<u>-</u>

The amounts owed to related parties are unsecured, repayable on demand and non-interest bearing. The debt holders have confirmed they will not look to recall the balance within 12 months of the date of signing the financial statements.

19 Security

HSBC Bank UK plc holds fixed and floating charges over the assets of subsidiaries of the Company.

20 Financial instruments

The Group and Company has the following financial instruments:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
<i>Financial assets measured at amortised cost</i>				
Cash and cash equivalents	1,446,928	2,007,214	14,875	4,789
Trade debtors	202,797	27,945	-	-
Other debtors	493,542	253,649	5,907	134,120
Accrued income	415,013	-	-	-
Amounts owed by related parties	433,859	1,140,011	3,623	1
Amounts owed by group undertakings	-	-	7,200,436	7,404,729
	<u>2,992,139</u>	<u>3,428,819</u>	<u>7,224,841</u>	<u>7,543,639</u>
<i>Financial liabilities measured at fair value through profit and loss</i>				
Derivative financial instruments	291,997	-	-	-
	<u>291,997</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Financial liabilities measured at amortised cost</i>				
Bank overdrafts	-	5	-	-
Other loans	5,242,654	1,542,164	-	-
Trade creditors	1,131,240	1,403,634	19,013	41,309
Amounts owed to related parties	3,233,057	3,399,980	1	1
Amounts owed to group undertakings	-	-	1	1
Other taxation and social security	19,306	460,819	-	-
Other creditors	59,795	18,059	-	-
Accruals and deferred income	7,240,986	3,339,413	12,009	4,000
	<u>16,927,038</u>	<u>10,164,074</u>	<u>31,024</u>	<u>45,311</u>

Notes (forming part of the financial statements)

20 Financial instruments (continued)

Derivative financial instruments – Forward contracts

The Group has entered into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. At 31 March 2023, the outstanding contracts all mature within 3 months of the year end. The Group is committed to buy US\$12,900,000 and pay a fixed sterling amount.

The forward currency contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs in valuing the derivatives are the forward exchange rates for GBP:USD. The fair value of the forward-foreign currency contracts is £291,997.

21 Share capital and premium

	2023 £	2022 £
Share capital		
Allotted, called up and fully paid		
83,000,100 (2022: 83,000,100) ordinary shares of £0.01 each	830,001	830,001
Share premium	7,458,240	7,458,240
	8,288,241	8,288,241

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and repayment of capital.

In the prior period, 83,000,000 shares were issued at a nominal value of £0.01. The consideration received in exchange for these shares totalled £8,288,239.96 with the excess being recognised as share premium.

22 Pension commitments

The Group contributes to a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £74,514 (15 month period ended 31 March 2022: £32,482). Contributions totalling £nil (2022: £7,585) were payable to the fund at the balance sheet date and are included in creditors due within one year.

23 Commitments under operating leases

At 31 March 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group	
	2023 £	2022 £
Not later than 1 year	64,382	76,253
Later than 1 year and not later than 5 years	37,804	40,359
	102,186	116,612

Company

The company had no commitments under operating leases at 31 March 2023 (2022: none).

Notes (forming part of the financial statements)

24 Reserves

Share premium account

Includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium.

Foreign currency translation reserve

Includes foreign exchange differences arising from the translation of financial statements of the Group's foreign entities into Sterling (£).

Profit and loss account

Includes all current and prior period retained profits and losses.

25 Post balance sheet events

Disposal of subsidiaries

On 18 May 2023, the Company disposed of its investment in a direct subsidiary, Enviromena Middle East Holdings Limited, which in turn owned Enviromena Solar Asset Saudi Energy LLC. The disposal was recorded at book value for the shares and therefore there was no gain or loss on the transaction. The acquiring entity was M E Developments Limited (incorporated in Jersey with company number 125171), an entity under common control.

Post year end restructuring events

Post year end, and prior to the signing of these financial statements, the following restructuring events took place for both the Company and the Group:

On 27 June 2023:

- The Company's immediate parent entity, AIP Infrastructure LP, contributed its shareholdings in the Company to Solarmena LP (incorporated in Scotland with company number SL036339).
- Solarmena LP subsequently contributed its shareholdings in the Company to Apollomena Limited (company number 14920168) in exchange for the issue of new shares in Apollomena Limited.
- Immediately following the share transfers, the intragroup loan the Company previously owed to AIP Infrastructure LP was assigned to Apollomena Limited through a series of loan novations.

The purpose of these events was to merge the Group with a portfolio of fully operational Solar PV sites, whose energy sales will finance the future development costs and working capital requirements of the Group. The ultimate ownership of the Company and Group remains unchanged.

Post year-end, the Group received c.£4.5m by way of intragroup loans from AIP Infrastructure LP (novated to Apollomena Limited via Solarmena LP on 27 June 2023 as noted above).

There were no other significant events that would require adjustment to the Group or Company's financial statements.

Notes (forming part of the financial statements)

26 Related party transactions

During the year the Group entered into transactions, in the ordinary course of business, with related parties. The Group has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with fellow subsidiaries under common ownership.

During the year, the Group paid the following to companies with a Director in common:

- consultancy fees of £187,876 (2022: £223,884)
- rental of land of £16,875 (2022: £nil)
- project commission of £57,333 (2022: £nil)

There are no further related party transactions noted in the year.

27 Ultimate controlling party

The immediate parent company and ultimate controlling party at the year end was AIP Infrastructure LP (Company number: SL029869, Registered address: c/o Brodies LLP, Capital Square, 58 Morrison Street, Edinburgh, EH3 8BP).

After the restructuring events that occurred on 27 June 2023, the new immediate parent company is Apollomena Limited (Company number 14920168, Registered address: 15 Diddenham Court Lambwood Hill, Grazeley, Reading, England, RG7 1JQ) - see note 25 for further details. The ultimate controlling party remains as AIP Infrastructure LP.

As neither AIP Infrastructure LP nor Apollomena Limited prepare consolidated accounts for public use, the largest and smallest group which prepares consolidated accounts is the Company itself (Enviromena International Holdings Limited).