Gate Burton Energy Park
EN010131

Funding Statement
Document Reference: EN10131/APP/6.7
November 2022

APFP Regulation 5(2)(h)
Planning Act 2008
Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009

Gate Burton Energy Park Limited

Gate Burton
ENERGY PARK

Quality information

Prepared by	Checked by	Verified by	Approved by
Michael Rutgers	Alison Leeder		
	Technical Director, Aecom		

Revision History

Revision	Revision date	Details	Authorized	Name	Position
Draft Version 0.1	12/08/2022	Working Draft		Michael Rutgers	Head of UK Solar Development
Final draft 0.1	25/08/22	Second Draft		Philip Woolfson, Amos Carrington	Finance Director; Head of Legal
Final draft 0.2	09/09/22	Final Draft		Michael Rutgers	Head of UK Solar Development

List of Outstanding Issues and Information

Outstanding issue/info.	Section/Paragraph	Responsibility	Action

Regulation Reference:	Regulation 5(2)(h)
Planning Inspectorate Scheme Reference	EN010131
Application Document Reference	EN010131/APP/6.7
Author	Gate Burton Energy Park Project Team

Prepared for:

Gate Burton Energy Park Limited

Prepared by:

Gate Burton Energy Park Limited

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1. Introduction

1.1.1 This Funding Statement has been prepared by Gate Burton Energy Park Limited ("**the Applicant**"). It forms part of the application ("**Application**") for a development consent order ("**DCO**") that has been submitted to the Secretary of State for Business, Energy and Industrial Strategy ("**SoS**") under section 37 of the Planning Act 2008 ("**PA 2008**")

1.2 The Scheme

1.2.1 Gate Burton Energy Park (the Scheme) comprises the construction, operation (maintenance), and decommissioning of solar photovoltaic (PV) array electricity generating facility and electrical storage facility with a total capacity exceeding 50 megawatts (MW) and export connection to the National Grid at the Cottam National Grid Substation. The Site comprises the proposed Solar and Energy Storage Park and the Grid Connection Corridor.

1.2.2 The Solar and Energy Storage Park comprises a solar photovoltaic electricity generating facility, Battery Energy Storage System (BESS) and associated works. The electricity generated by the Scheme will be exported to the National Grid via the Grid Connection Corridor (GCC), via a connection between the Gate Burton Energy Park substation and the Cottam National Grid Substation. This connection will also facilitate the import of electricity to be stored within the BESS.

1.2.3 A full description of the Scheme is contained in **Chapter 2 of the Environmental Statement [EN010131/APP/3.1]** and the key design parameters are set out in the **Outline Design Principles [EN010131/APP/3.1]**. A brief overview is provided below.

1.2.4 Supporting electrical infrastructure will include an onsite substation, and on-site cabling between the different electrical elements across the Scheme along with internal access tracks and drainage.

1.2.5 Visual, ecological and archaeological mitigation is proposed which includes proposed grassland planting and new woodland; retention of existing woodland, wetlands and other vegetation; and offsetting areas where there will be no development. The BESS will consist of a compound and battery array to allow for the importation, storage and exportation of energy to the National Grid. There will also be areas within the site for office and storage facilities for use during the Scheme's operation.

1.2.6 The new PV panel arrays and BESS will be connected to the national electricity transmission network (NETS) via the Cottam National Grid Substation through a new underground approximately 7.5km 400kW electrical cable circuit. The new On-Site Substation comprised as part of the scheme will convert the generated energy up to 400kV and a new, single 400kV circuit comprising of three 400kV underground cables installed by the Scheme will connect to the existing connection bay at Cottam National Grid Substation.

1.2.7 The Solar and Energy Storage Park Site comprised as part of the Scheme will have four main construction access points, one via the A156, one south from Kexby Lane, one north from Kexby Lane and, one via Marton Road. The main access route will be via the A156. During operation a very low number of vehicles will access the site, with a number of accesses suitable for the purpose. A number of access points are proposed to access the individual land parcels associated with the Grid Connection Corridor through construction and decommissioning activities, or infrequently for maintenance.

1.2.8 The Scheme qualifies as a Nationally Significant Infrastructure Project (**“NSIP”**) and will require a DCO from the SoS, due to its generating capacity exceeding 50 MW.

1.3 The Purpose and Structure of this Document

1.3.1 This Statement has been produced pursuant to Regulation 5(2)(h) of the Infrastructure Planning (Applications: Prescribed Forms and Procedures) Regulations 2009 (the "**APFP 2009**") and the Department of Communities and Local Government guidance 'Planning Act 2008: Guidance related to procedures for the compulsory acquisition of land' (September 2013) (the "**Guidance**").

1.3.2 This Statement is required because the DCO sought for Gate Burton Energy Park would authorise the compulsory acquisition of land or interests in land. This gives rise to the requirement under Regulation 5(2)(h) of the APFP 2009 for the Applicant to provide a statement indicating how the DCO containing these powers is proposed to be funded.

1.3.3 This Statement is one of a number of documents accompanying the Application and submitted to the SoS, and should be read in conjunction with those documents. They include principally the **Statement of Reasons [EN010131/APP/6.4]**.

2. Funding

2.1 Corporate Structure

2.1.1 Gate Burton Energy Park Limited (company number 12660764) is the Applicant for the Application. The Applicant is registered in England and Wales.

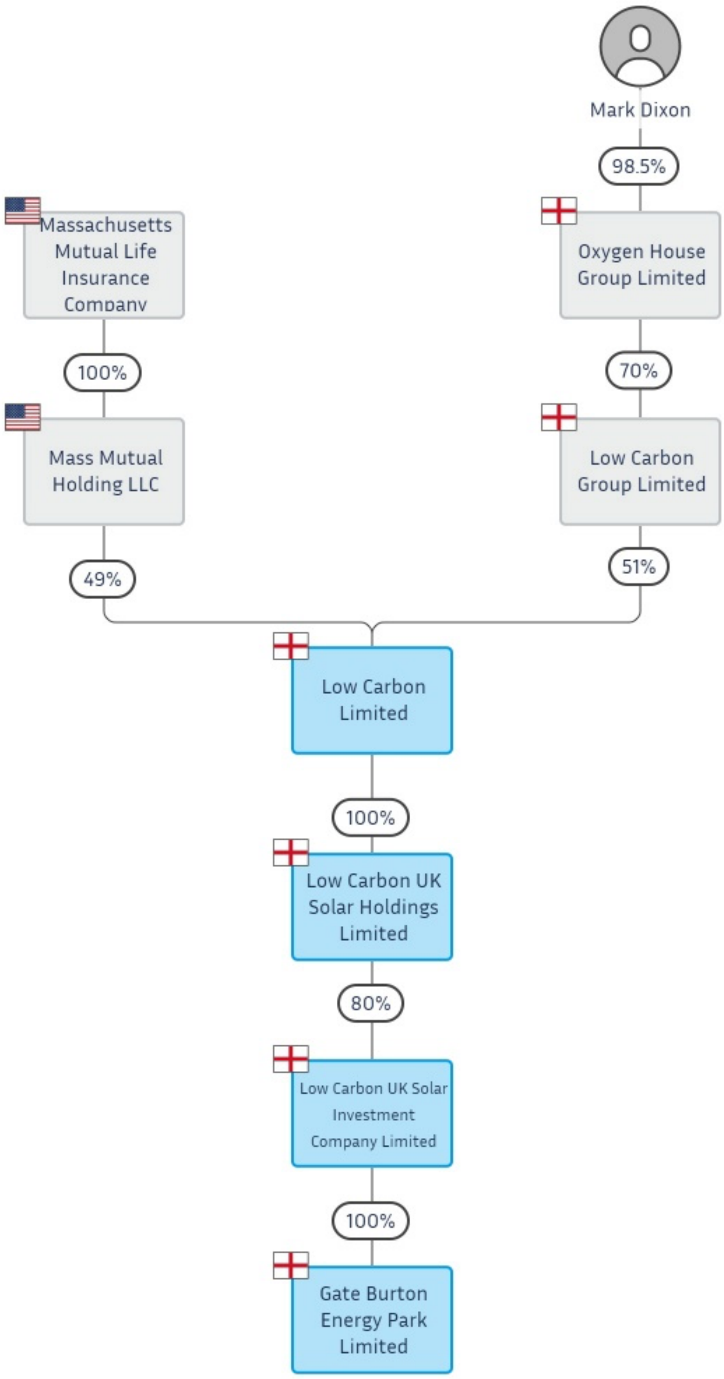
2.1.2 The Applicant is funded by Low Carbon Limited (company number 13356797) ("**Low Carbon**"). Low Carbon is a company registered in England and Wales. Further information on how Low Carbon funds the Applicant is included in section 2.3.

2.1.3 The sole shareholder of the Applicant is Low Carbon UK Solar Investment Company Limited, a company registered in England and Wales under company number 11202297. This company in turn is an indirect subsidiary of Low Carbon. The ownership of Low Carbon is as follows:

- 51% is owned by Low Carbon Group Limited ("**LCG**"), a company registered in England and Wales under company number 07853501. LCG's ultimate beneficial owner is Dr M Dixon, a UK resident individual; and
- 49% is owned by MassMutual Holding LLC (“**MassMutual”**), a wholly-owned subsidiary of Massachussetts Mutual Life Insurance Company. Massachussetts Mutual Life Insurance Company, as a mutual insurance company, does not have typical shareholders, but rather its policyholders share in the profits generated by the company. As such, no individuals fall under the definition of ultimate beneficial owner with respect to this entity.

2.1.4 The above ownership structure is shown in the Organogram below:-

- Table 1: Organogram



2.2 Gate Burton Energy Park costs

2.2.1 The current cost estimate for the Scheme is approximately £525 million. This estimate covers all aspects of the Scheme and has been arrived at by including construction costs, preparation costs, supervision costs, land acquisition costs (including compensation payable in respect of any compulsory acquisition), equipment purchase, installation, commissioning and power export. The estimate also includes an allowance for inflation and project contingencies.

2.3 Gate Burton Energy Park funding

2.3.1 The Applicant is funded by Low Carbon off Low Carbon's own balance sheet.

2.3.2 Low Carbon has assets of over £83 million which is shown in its most recent consolidated accounts which are included at Appendix A. The consolidated accounts of Low Carbon have been audited by PwC.

2.3.3 Low Carbon is committed to the delivery of the Scheme and to date has already invested more than £3 million of its own capital in land acquisition costs and costs associated with preparing the Application. It has also invested significant amounts of senior management time. It will also be funding the significant costs in taking the Application through the examination. As can be seen from its consolidated funds, Low Carbon will be able to fund these costs from its own resources.

2.3.4 If the SoS grants development consent for the Scheme then Low Carbon intends to fund the development and construction of the Scheme through a combination of equity and debt. Equity is expected to be funded from Low Carbon's balance sheet plus utilisation of a £120 million revolving credit facility that Low Carbon currently has in place with the specific purpose of helping fund Low Carbon's equity contribution to the construction costs on its renewable energy projects.

2.3.5 Low Carbon has a high level of confidence of securing the required bank debt for the Scheme having recently closed a £230 million facility with three tier 1 lenders for building out a ~500MW portfolio of solar assets in the UK and Netherlands, a process that generated a high level of interest from a deep pool of credible lenders.

3. Land acquisition and blight

3.1.1 The delivery of the Scheme requires the acquisition of land or rights (including the creation of rights and the imposition of restrictions) in, under, over land, and the temporary possession of land.

3.1.2 As set out in the **Statement of Reasons [EN010131/APP/6.4]**, the Applicant has already secured voluntary agreements with the four main site landowners of the land for solar PV panels (Work No. 1), totalling a significant proportion of the Order land.

3.1.3 However, compulsory acquisition powers are required to ensure that the Scheme can proceed without impediment.

3.1.4 The current cost estimate for the delivery of the Scheme is £525 million. This includes an amount to cover any compensation payable in respect of any compulsory acquisition powers included in the DCO and required for the Scheme.

3.1.5 The Applicant appointed specialist Chartered Surveying firm Gateley Hamer to produce a 'Property Cost Estimate' and independently identify the compensation liability arising out of the proposed acquisition of land/rights required for the Project. The Property Cost Estimate was produced by RICS Registered Valuers, adhering to the RICS Professional Standards. The Property Cost Estimate applies the valuation principles from the compensation code. In addition to the value of the land/rights sought, other elements of a potential claim are captured, including statutory loss payments, injurious affection/severance, disturbance costs and associated professional fees that would be required to negotiate the claim. The total figure for the compensation liability for the Scheme is estimated to be £25 million. This figure is periodically updated when appropriate, to reflect changes that may occur in the market.

3.1.6 Should any claims for blight arise because of the Application, the Applicant, through Low Carbon, has sufficient funds to meet the cost of acquiring these interests at whatever stage they are served. However, the Applicant has not identified any interests which it considers could be eligible to serve a blight notice.

3.1.7 The draft DCO also includes an Article preventing the exercise of the compulsory acquisition powers until the SoS has approved a form of security from the Applicant.

Appendices

Appendix A – Consolidated accounts of Low Carbon Limited

REGISTERED NUMBER: 13356797 (England and Wales)

Low Carbon Limited

Previously known as Low Carbon Energy Holdings Limited

Group Strategic Report, Directors' Report and

Audited Consolidated Financial Statements for the Year Ended 31 December 2021

Low Carbon Limited (Registered number: 13356797)
previously known as Low Carbon Energy Holdings Limited

Contents of the Consolidated Financial Statements
for the Year Ended 31 December 2021

Company Information
for the Year Ended 31 December 2021

DIRECTORS:	J M Alfonso N A Barker R B Bedlow B Clarke A C Dickey S A Mack H C R Struthers
REGISTERED OFFICE:	Stirling Square 5-7 Carlton Gardens London SW1Y 5AD
REGISTERED NUMBER:	13356797 (England and Wales)
INDEPENDENT AUDITORS:	PricewaterhouseCoopers LLP 2 Glass Wharf Bristol BS2 0FR
BANKERS:	Lloyds Bank Plc 1 Legg St Chelmsford Essex CM1 1JS

PRINCIPAL ACTIVITIES

The principal activity of the Group is investing in renewable energy projects at scale in order to make a positive and significant impact on the causes of climate change.

The Group invests in and operates large-scale renewable energy projects. Specifically, Low Carbon targets investments in solar, onshore and offshore wind, energy storage, waste to energy and other proven, sustainable renewable energy technologies.

REVIEW OF BUSINESS

Low Carbon is committed to making a positive and significant impact on the causes of climate change. In practice, this means responsible and innovative investment in renewable energy projects and dedication to creating a low-carbon future for us all. We do this by leveraging our proven track record in development, construction, financing and management of renewable energy assets.

Low Carbon's vision and mission have remained unchanged since our formation over a decade ago. We strive daily to help shape and secure the health of our planet for future generations. We believe that such an ideal can only be realised though the urgent creation of clean, renewable energy at scale.

The Group strives to create a genuinely low-carbon future, with energy production and secure energy supply at the heart of our communities in which we operate, the energy sector and government policy. This vision aligns with the aspirations and priorities set out in the United Nations Sustainable Development Goals (SDGs) and we are dedicated to ensuring our core operational activities contribute substantially to these principles.

In 2021, Low Carbon formed a strategic partnership with the Massachusetts Mutual Life Insurance Company (MassMutual) to build a leading global renewable energy Independent Power Producer (IPP), targeting 20GW of renewable energy capacity and net zero by 2030. With the ambition to transform the global energy sector from fossil fuel based to zero-carbon, the partnership will accelerate the deployment of large-scale renewable energy by harnessing Low Carbon's expertise across the full investment life-cycle, and by leveraging our proven track record.

During the year the Group continued to make investments in businesses meeting its investment criteria. The Directors believe the strategic outlook to be positive, with opportunities for new investment arising both in the current portfolio and in new projects. A list of the Company's investments in associates and subsidiaries is included in note 16 of the financial statements. At 31 December 2021 the carrying value of the Group's total investments was £4,448,449 (2020: £1,162,204).

The Group considers Development Economic Profit (or "Economic Profit") and Assets under Management (AuM) to be its Key Performance Indicators. Economic Profit is the total net proceeds from the realization of renewable energy development projects (in the form of development fees, sale consideration or dividends), less repayments of outstanding loans, less distributions to third party shareholders, calculated for each technology in which the group has invested, as outlined in the principal activities.

The Group's key performance indicators for the year were as follows:

	2021	**2020**
Economic Profit	£1,160,366	£5,181,628
Assets Under Management (MWs)	1,329	1,031
Low Carbon Capacity Created (MWs)	1,128	1,079

As the Company continues to build a leading global renewable energy IPP additional metrics aligned to the refined business model of developing, constructing and operating renewable projects will be used to measure group performance. These metrics will include: Funds for Impact, Operating Cash flow and Carbon Intensity as we continue to work to ensure Low Carbon is meeting leading standards for sustainability and ESG.

During the year the Group continued to grow its platforms, build capital, improve operational processes and focus on team culture, communication and health & wellbeing.

Low Carbon ended 2021, with good progress across all our strategic pillars: Platform Growth, People, Operational Excellence and Stakeholder Management.

REVIEW OF BUSINESS (continued)

In support of our ambition to deliver 20GW of new renewable energy capacity by 2030, Low Carbon made progress in delivering new clean energy capacity. Examples of this progress include:

UK large-scale solar: Low Carbon confirmed plans to develop a new solar energy park in Lincolnshire. With an anticipated generation capacity of 500 megawatts (MW), the new solar and energy park will provide enough clean energy to power over 160,000 homes and avoid more than 100,000 tonnes of CO2 emission every year.

Finland onshore wind: Low Carbon completed the acquisition of the Mörknasskogen wind farm in Finland. With an expected capacity of 30MW from 5 wind turbines, the project forms part of Low Carbon's exclusive renewables pipeline of more than 120MW currently being developed in the country.

Waste to energy - UK: The Redcar Energy Centre, a joint venture led by Low Carbon Ltd and PMAC Energy Ltd, received planning permission in February 2020. When complete the Redcar Energy Centre will export up to 49.9MW of low-carbon electricity to the grid, enough to power 100,000 homes. The development is expected to employ more than 400 workers during the 36 month construction phase and require over 100 full time positions once operational. Set for completion in 2025, the Redcar Energy Centre will divert between 350,000 and 450,000 tonnes per annum of refuse away from UK landfill.

Two 50MW battery projects in Northern Ireland (co-owned by Gore Street Capital and Low Carbon) became operational in April 2021.

Operational renewable energy under management - In developing renewable energy at scale, Low Carbon is managing more than 1GW of renewable energy assets across more than 120 sites for Low Carbon and our client sites. Combined these assets produced enough clean energy in 2021 to power more than 327,000 homes, avoiding 221,483 tonnes of CO2e. Our asset management team are driven by the mindset of "every kilowatt matters" in ensuring each site they manage performs to it maximum capacity.

PRINCIPAL RISKS AND UNCERTAINTIES
The Directors believe that the Company's key exposures to risks and uncertainties are as follows:

Operational risk
The principal risk to the Group's operations are a lack of suitable investment opportunities, availability of construction funding, the ability of the Company to develop renewable energy projects through the entire development cycle and forecast electricity prices. The Group focuses its investment activity in companies involved in sustainable business for which there is an increasingly positive market sentiment and demand. The Directors continually review the pipeline of potential investment opportunities. There has been no significant impact of Covid-19 on the day-to-day operations of group.

Government risk
The regulatory environment is evolving, and changes therein may adversely affect the Company. The Group focuses its investments in the UK and Europe.

Laws and regulations risk
The Group and its investments are subject to laws and regulations enacted by national, regional and local governments and institutions. Certain of the sectors in which the Group's investments operate are subject to legal and regulatory controls, and the investee companies must comply with all applicable laws, regulations and regulatory standards which, inter alia, require them to obtain and maintain certain authorizations, licenses and approvals for their operations.

Credit risk
The Group's primary credit risk is the non-payment of loans to shareholders and third parties. The Group manages this risk through appropriate due diligence at the investment stage and appropriate governance and monitoring of its investments. The Group's portfolio of investments includes a wide range of green energy technologies and geographies as well and assets at different stages of development and construction.

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Groups approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meets its liabilities when due. The Group ensures it maintains adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Groups investments are predominantly funded by share capital and medium-term debt funding.

ON BEHALF OF THE BOARD:

[redacted]............................
J M Alfonso - Director

Date: 02/08/2022

Directors' Report
for the Year Ended 31 December 2021

The directors present their report and the audited consolidated financial statements for the year ended 31 December 2021. The consolidated financial statements consist of the parent company, Low Carbon Limited, and its subsidiaries.

COMMENCEMENT OF TRADING

Low Carbon Limited was incorporated on 26th April 2021. The company balance sheet and accompanying notes have no comparatives.

On 24th May 2021 a group reorganisation under common control was undertaken and as a result the Low Carbon Limited consolidated financial statements have been prepared applying the merger accounting method permissible under FRS 102 s19. Under this method the results and cash flows of the combining entities have been consolidated from the beginning of the current financial year. The comparative information includes the total comprehensive income and balance sheet for all combining entities at the previous reporting date. For further details of the group reorganisation see Note 3 - Business Combination under common control.

CHANGE OF NAME

The Group passed a special resolution on 29 November 2021 changing its name from Low Carbon Energy Holdings Limited to Low Carbon Limited.

PRINCIPAL ACTIVITIES

The principal activity of the Group is investing in renewable energy projects at scale in order to make a positive and significant impact on the causes of climate change, and businesses involved in the mitigation of climate change.

RESULTS

The loss for the year was £17,172,112 (2020: profit of £5,761,309).

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2021 will be £2,521,603.

FUTURE DEVELOPMENTS

Details of the Groups future developments are provided in the strategic report on page 2.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors who have held office during the period from 1 January 2021 to the date of this report are as follows:

J M Alfonso - appointed 26 April 2021
N A Barker - appointed 8 November 2021
R B Bedlow - appointed 26 April 2021
B Clarke - appointed 8 November 2021
A C Dickey - appointed 8 November 2021
S A Mack - appointed 26 April 2021
H C R Struthers - appointed 8 November 2021

GOING CONCERN

The directors believe that the group is well placed to manage its business risks successfully. The Group has navigated one year of COVID-19 and the directors do not consider there to be a significant impact on the long-term activities of the Company caused by the pandemic. Accordingly, the asset management business has continued to operate with minimal disruption, as there has been no impact on the underlying assets. In addition, the Russia-Ukraine conflict is a humanitarian crisis on a scale not seen in Europe since WWII. As sanctions continue to be imposed against Russia, the economic ramifications of increases to energy prices, fluctuations in foreign exchange rates and interest rate rises could be felt globally. The directors have considered the risks to supply chains and revenue streams however it is very difficult to make forward looking statements or predictions with any great certainty. The directors have reviewed the impact of Covid-19 and the Russia-Ukraine conflict on the business and do not consider there to be a significant impact on the long-term activities of the group. As a result, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

DIRECTORS INDEMNITY

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

DISCLOSURE IN THE STRATEGIC REPORT

Details of the Groups principal risks and uncertainties are provided in the strategic report on page 3.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a director at the date of approving the report is aware, there is no relevant audit information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

In accordance with Section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the reappointment of PricewaterhouseCoopers LLP as auditors.

ON BEHALF OF THE BOARD:

[redacted] ....

J M Alfonso - Director

Date: 02/08/2022 ....

Statement of Directors' Responsibilities
for the Year Ended 31 December 2021

The directors are responsible for preparing the Group Strategic Report, Directors' Report and Audited Consolidated Financial Statements and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Confirmations

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

Independent auditors' report to the members of Low Carbon Limited (Previously known as Low Carbon Energy Holdings Limited)

Report on the audit of the financial statements

Opinion

In our opinion, Low Carbon Limited (Previously known as Low Carbon Energy Holdings Limited)'s group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2021 and of the group's loss and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Group Strategic Report, Directors' Report and Audited Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company balance sheet as at 31 December 2021; the Consolidated income statement, the Consolidated cash flow statement, and the Consolidated and Company statements of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation in the jurisdictions in which the Company operates, employee legislation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of unusual journals outside the normal course of business in order to manipulate the Company's performance profit measures and other key performance indicators to meet remuneration targets . Audit procedures performed by the engagement team included:

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

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

[redacted]

Colin Bates (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
19 August 2022

Low Carbon Limited (Registered number: 13356797)
previously known as Low Carbon Energy Holdings Limited

Consolidated Income Statement
for the Year Ended 31 December 2021

	Notes	2021 £	2020 £
TURNOVER	5	5,681,941	5,607,242
Development expenses		(9,825,816)	(4,697,212)
Administrative expenses		(15,224,393)	(5,414,687)
		(19,368,268)	(4,504,657)
Other operating income	6	1,579,731	4,336,313
GROUP OPERATING LOSS	8	(17,788,537)	(168,344)
Share of operating profit in Joint venture	16	1,133,671	6,191,679
Interest receivable and similar income	9	314,186	533,327
Interest payable and similar expenses	10	(831,671)	(645,906)
(LOSS)/PROFIT BEFORE TAXATION		(17,172,351)	5,910,756
Tax on (loss)/profit	11	239	(149,447)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(17,172,112)	5,761,309

Consolidated Balance Sheet
31 December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	14	1,705,591	-
Tangible assets	15	568,972	187,774
Investments	16		
Interest in joint venture		1,852,284	1,031,151
Other investments		2,596,165	131,053
		6,723,012	1,349,978
CURRENT ASSETS			
Debtors	17	8,458,580	5,084,153
Cash at bank	18	60,236,775	1,599,703
Short term deposits	18	15,000,000	-
		83,695,355	6,683,856
CREDITORS			
Amounts falling due within one year	19	(13,542,856)	(13,742,921)
NET CURRENT ASSETS/(LIABILITIES)		70,152,499	(7,059,065)
TOTAL ASSETS LESS CURRENT LIABILITIES		76,875,511	(5,709,087)
CREDITORS			
Amounts falling due after more than one year	20	(2,273,621)	-
NET ASSETS/(LIABILITIES)		74,601,890	(5,709,087)
CAPITAL AND RESERVES			
Called up share capital	23	33	25
Share premium	24	99,999,992	-
Other reserves	24	229,930	229,930
Accumulated losses	24	(24,257,137)	(5,950,687)
SHAREHOLDERS' FUNDS		75,972,818	(5,720,732)
NON-CONTROLLING INTERESTS		(1,370,928)	11,645
TOTAL EQUITY		74,601,890	(5,709,087)

The financial statements were approved by the Board of Directors and authorised for issue on 18th July 2022 and were signed on its behalf by:

[redacted]

J M Alfonso - Director

Low Carbon Limited (Registered number: 13356797)
previously known as Low Carbon Energy Holdings Limited

Company Balance Sheet
31 December 2021

	Notes	2021 £
FIXED ASSETS		
Tangible assets	15	317,101
Investments	16	473,917
		791,018
CURRENT ASSETS		
Debtors	17	28,474,583
Cash at bank	18	59,635,026
Short term deposits	18	15,000,000
		103,109,609
CREDITORS		
Amounts falling due within one year	19	(11,898,826)
NET CURRENT ASSETS		91,210,783
TOTAL ASSETS LESS CURRENT LIABILITIES		92,001,801
CAPITAL AND RESERVES		
Called up share capital	23	33
Share premium	24	99,999,992
Other reserves	24	229,930
Accumulated losses	24	(8,228,154)
SHAREHOLDERS' FUNDS		92,001,801
Company's loss for the financial period		(8,228,154)

The financial statements were approved by the Board of Directors and authorised for issue on 18th July 2022 ....
[redacted]ned on its behalf by:

....
J M Alfonso - Director

Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2021

	Called up share capital £	Accumulated losses £	Share premium £
Balance at 1 January 2020	25	(3,149,994)	-
Changes in equity			
Dividends	-	(8,729,049)	-
Total comprehensive income	-	5,928,356	-
Balance at 31 December 2020	25	(5,950,687)	-
Changes in equity			
Issue of share capital	8	-	99,999,992
Dividends	-	(2,521,603)	-
Total comprehensive income	-	(15,784,847)	-
	33	(24,257,137)	99,999,992
Non-controlling interest arising on business combination	-	-	-
Balance at 31 December 2021	33	(24,257,137)	99,999,992

	Other reserves £	Total £	Non-controlling interests £	Total equity £
Balance at 1 January 2020	229,930	(2,920,039)	178,692	(2,741,347)
Changes in equity				
Dividends	-	(8,729,049)	-	(8,729,049)
Total comprehensive loss	-	5,928,356	(167,047)	5,761,309
Balance at 31 December 2020	229,930	(5,720,732)	11,645	(5,709,087)
Changes in equity				
Issue of share capital	-	100,000,000	-	100,000,000
Dividends	-	(2,521,603)	-	(2,521,603)
Total comprehensive loss	-	(15,784,847)	(1,387,265)	(17,172,112)
	229,930	75,972,818	(1,375,620)	74,597,198
Non-controlling interest arising on business combination	-	-	4,866	4,866
Balance at 31 December 2021	229,930	75,972,818	(1,370,754)	74,602,064

Company Statement of Changes in Equity
for the Year Ended 31 December 2021

	Called up share capital £	Accumulated losses £	Share premium £	Other reserves £	Total equity £
24 April 2021	**1**	-	-	-	**1**
Issue of share capital	32	-	99,999,992	-	100,000,024
Total comprehensive loss	-	(8,228,154)	-	229,930	(7,998,224)
Balance at 31 December 2021	33	(8,228,154)	99,999,992	229,930	92,001,801

Consolidated Cash Flow Statement
for the Year Ended 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	29	(14,586,006)	(275,617)
Tax paid		-	(149,447)
Net cash from operating activities		(14,586,006)	(425,064)
Cash flows from investing activities			
Purchase of intangible fixed assets		(1,733,552)	-
Purchase of property, plant & equipment		(417,416)	(57,860)
Purchase of fixed asset investments		(1,909,659)	(2,974,801)
Sale of fixed asset investments		-	5,317,011
Net cash from investing activities		(4,060,627)	2,284,350
Cash flows from financing activities			
Increase in loan from group undertakings		8,879,971	8,089,237
Decrease in loan from parent		(18,452,041)	-
Share issue		100,000,000	-
Increase in external borrowings		2,129,744	-
Equity dividends paid		(273,969)	(8,729,049)
Net cash from financing activities		92,283,705	(639,812)
Increase in cash and cash equivalents		73,637,072	1,219,474
Cash and cash equivalents at beginning of year	30	1,599,703	380,229
Cash and cash equivalents at end of year	30	75,236,775	1,599,703

1. GENERAL INFORMATION

Low Carbon Limited is a private limited company incorporated and domiciled in England and Wales. The address of the company's registered office is Stirling Square, 5-7 Carlton Gardens, London SW17 5AD.

The principal activities of the company are focused on finding solutions to mitigate climate change. The principal accounting policies adopted by the company are set out in note 2.

2. STATUTORY INFORMATION

Low Carbon Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

Low Carbon Limited was incorporated on 26th April 2021. The company balance sheet and accompanying notes have no comparatives.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in the functional currency of the Group, Pound Sterling (£), as this is the currency of the primary economic environment in which the Group operates. The financial statements are rounded to the nearest pound, except where otherwise indicated.

The Company is limited by shares and incorporated in England. The address of the registered office is given in the company information page of these financial statements.

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

Going Concern
The directors believe that the group is well placed to manage its business risks successfully. The Group has navigated one year of COVID-19 and the directors do not consider there to be a significant impact on the long-term activities of the Company caused by the pandemic. Accordingly, the asset management business has continued to operate with minimal disruption, as there has been no impact on the underlying assets. In addition, the Russia-Ukraine conflict is a humanitarian crisis on a scale not seen in Europe since WWII. As sanctions continue to be imposed against Russia, the economic ramifications of increases to energy prices, fluctuations in foreign exchange rates and interest rate rises could be felt globally. The directors have considered the risks to supply chains and revenue streams however it is very difficult to make forward looking statements or predictions with any great certainty. The directors have reviewed the impact of Covid-19 and the Russia-Ukraine conflict on the business and do not consider there to be a significant impact on the long-term activities of the group. As a result, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions
The Group has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

3. **ACCOUNTING POLICIES - continued**

Basis of consolidation

The Group financial statements comprise of the financial statements of Low Carbon Limited and its subsidiaries as at 31 December 2021.

Subsidiary undertakings acquired during the period are recorded under the acquisition method of accounting, except where the acquisition is considered to be a business combination under common control, where the predecessor value method has been applied. The results of subsidiaries acquired during the year are consolidated from the date of acquisition, being the date on which the parent company obtains control, and continue to be consolidated until the date such control ceases. The financial statements of the subsidiaries are prepared using consistent accounting policies. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Business combination under common control
On 24th May 2021 a group reorganisation was undertaken to transfer the ordinary shares in the below listed entities previously held by Low Carbon Group Limited (Formerly Low Carbon Limited) to Low Carbon Limited (Formerly Low Carbon Energy Holdings Limited) at nominal value:

- Hoolan Energy Limited
- Low Carbon EAAS Limited
- LC Danube Limited (Formerly LC Nadia Limited)
- Low Carbon Netherlands Limited
- Low Carbon W2E2 Limited
- Low Carbon Asset Management Limited
- Low Carbon Ireland Limited
- Low Carbon Storage Ireland Limited
- Low Carbon UK Solar Holdings Limited (Formerly Low Carbon Bond Company Limited)
- Low Carbon Windco 1 Limited
- Low Carbon Wind Investment Company 1 Limited
- Nur Energie Limited

The transfer was made in exchange for an issue of shares in Low Carbon Limited.

The consolidated financial statements have been prepared applying the merger accounting method permissible under FRS 102 s19. Under this method the results and cash flows of the combining entities have been consolidated from the beginning of the current financial year. The comparative information has been restated to include the total comprehensive income and balance sheet for all combining entities at the previous reporting date.

Turnover
Revenue of the Group represents income from the provision of asset management services, investment management services and developer fees.

Revenue from asset management, investment management and investment advisory services are measured at the fair value of consideration received or receivable, and includes estimates of amounts contractually due, but not yet invoiced.

Revenue from developer fees is recognised in relation to the underlying contract with the customer. This generally will result in revenue being recognised at the completion of significant development milestones. Any uninvoiced revenue is accrued in the period in which it has been generated.

All revenues are stated net of value added tax and is generated entirely within the United Kingdom.

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 2021, is being amortised evenly over its estimated useful life of thirty one years.

3. **ACCOUNTING POLICIES - continued**

Tangible fixed assets
Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Tangible fixed assets are depreciated to their estimated residual values on a straight-line basis, over their expected useful lives as follows:

Fixtures and fittings	- 15% per annum
Other assets	- 33% per annum

The depreciation methods, estimated remaining useful lives and residual values are reviewed at each reporting date, taking account of technological innovations and asset management programmes. A change resulting from the review is treated as a change in accounting estimate. The depreciation expense is recognised in the statement of comprehensive income.

Depreciation commences when the asset is available for use.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

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

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development
Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies
Transactions in foreign currencies are translated to the functional currency at exchange rates prevailing at the date of the transaction. Monetary assets and liabilities are translated at exchange rates prevailing at the balance sheet date. Non-monetary items carried at cost are translated using the exchange rate at the date of the transaction, whilst assets carried at fair value are translated at the exchange rates when the fair value was determined.

3. **ACCOUNTING POLICIES - continued**

Investment in subsidiaries
Subsidiary undertakings are all entities over which the parent company has the power to govern the financial and operating policies so as to obtain benefit from their activities.

The investment in subsidiaries held by the parent company are valued at cost less any provision for impairment that is considered to have occurred, the resultant loss being recognised in the statement of comprehensive income.

Investments in joint ventures and associates
Investments in joint ventures and associates are accounted for using the equity method

Financial instruments
The Group has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments. The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors or creditors, loans from banks and other third parties, loans to or from related parties and investments in non-putable ordinary shares.

i. Financial Assets
Basic financial assets, including trade and other receivables, and cash and bank balances, are initially recognised at transaction price.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when:

(a) the contractual rights to the cash flows from the asset expire or are settled; or
(b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or
(c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial Liabilities
Basic financial liabilities, including trade and other payables, bank loans, and loans from fellow group companies, 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 receipts discounted at a market rate of interest.

Debt instruments (other than those wholly repayable or receivable within one year) are subsequently carried at amortised cost, using the effective interest rate method. Debt instruments that are payable or receivable within one year are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii. Offsetting
Financial assets and liabilities are offset and 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.

3. **ACCOUNTING POLICIES - continued**

Cash and cash equivalents
Cash and cash equivalents comprise cash at banks and in hand and short term deposits with an original maturity date of 95 days or less.

Equity
Equity comprises the following
- "Share capital" represents the nominal value of ordinary equity shares.
- "Accumulated losses" include all current results as disclosed in the consolidated statement of comprehensive income.

Dividend Income
Dividend income is recognised when the Group's right to receive payment is established.

Interest payable
Interest payable on loans is charged to the statement of comprehensive income account on an accruals basis.

Interest receivable
Interest receivable on loans is recognised in the statement of comprehensive income using the effective interest method.

Operating Leases
Leases in which the group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values that are not readily apparent from other sources. 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The most critical accounting policies and estimates in determining the financial condition and results of the group are those requiring a greater degree of subjective or complete judgement. These relate to:

- Deferred taxes

  Deferred tax assets are recognised for unused tax losses to the extent that it is probable that the taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- Valuation of investments

  In respect of the recoverability of investments and inter-company receivables, consideration of economic and market factors are incorporated into the assessment of each investment's future growth plans and prospects.

  In assessing impairment, judgements is required to establish whether there have been any indicators of impairment either internal or external. Once the need for a review of the carrying value of an investment has been determined, valuation requires estimation techniques and is therefore subject to estimates and judgements.

5. TURNOVER

Revenue recognised in the statement of comprehensive income is analysed as follows:

	2021	2020
	£	£
Provision of management services	3,449,766	3,319,893
Developer fees	2,082,000	2,020,440
Investment advisory fees	150,175	226,909
Other income	-	5,591
	5,681,941	5,572,833

All revenue is stated net of trade discounts, VAT and other similar taxes.

5. **TURNOVER (continued)**

Geographical area:

	United Kingdom		Europe		Total	
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Asset Management Services	3,266,884	3,080,255	182,882	239,638	3,449,766	3,319,893
Developer Fees	832,000	1,725,000	1,250,000	295,440	2,082,000	2,020,440
Investment Advisory Fees	150,175	266,909	-	-	150,175	266,909
Other Income	-	5,591	-	-	-	5,591
	4,249,059	5,077,755	1,432,882	535,078	5,681,941	5,612,833

6. **OTHER OPERATING INCOME**

	2021	2020
	£	£
Gain on sale of investments	1,579,731	4,336,313

7. **EMPLOYEES AND DIRECTORS**

	2021	2020
	£	£
Wages and salaries	5,106,033	2,692,638
Social security costs	567,891	350,742
Other pension costs	253,092	173,292
	5,927,016	3,216,672

The average monthly number of employees during the year was made up as follows:

	2021	2020
	no.	no.
Administrative, development and & office based asset management	87	29
Road based operations & maintenance and asset management	5	5
	92	34

Directors remuneration

The aggregate remuneration in respect of directors qualifying services was £672,852 (2020:£nil).
The highest amount paid to a director during the year was £272,926 (2020: £nil)

8. OPERATING (LOSS)/PROFIT

The group loss / profit before income tax is stated after charging:

	2021	2020
	£	£
Professional fees	1,078,578	346,831
Capital raise advisory and professional costs	6,128,147	-
Development expenses	9,824,905	4,697,212
Rent, rates and service charges	225,336	310,878
Directors remuneration	662,457	-
Audit fee	79,600	-
Depreciation	36,218	11,921
Amortisation	27,961	-

Development expenses related to early stage costs incurred by subsidiaries (note 16).

9. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£	£
Interest income	9,873	264
Other interest received	304,313	533,063
	314,186	533,327

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank loan interest	143,877	-
Loan from group undertakings	687,794	645,513
Other loan interest	-	393
	831,671	645,906

11. **TAXATION**

(a) Income tax on (loss)/profit
Income tax charged in the consolidated statement of profit or loss:

	2021	2020
	£	£
Current tax:		
UK Corporation tax on the (loss)/profit for the year	(239)	149,447
Deferred tax:		
Origination and reversal of temporary differences	-	
Adjustment in respect of previous periods	-	
Effect of changes in tax rates	-	
	(239)	149,447

(b) Reconciliation of the total income tax charge
The income tax expense in the consolidated statement of profit or loss for the year differs from the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%). The differences are reconciled below:

	2021	2020
	£	£
(Loss)/profit before income tax	(17,172,351)	5,761,309
At standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(3,164,053)	1,094,650
Effects of:		
Tax effect of non-deductible or non-taxable items	1,979,200	1,067,178
Income not taxable	(851,782)	(3,164,446)
Movement in unprovided deferred tax	2,036,635	1,027,962
Effects of group relief/other relief	-	(25,344)
Tax on (loss)/profit	-	-

(c) Factors that may affect future tax charges

The Finance Act 2021, which received Royal Assent on 10 June 2021, increased the corporation tax rate from 19% to 25% from 1 April 2023. Where deferred tax assets and liabilities are expected to unwind after 1 April 2023, they have been revalued to reflect the rate change.

Unrecognised deferred tax:

	2021	2020
	£	£
Fixed assets	(11,297)	(1,134)
Losses	(5,265,323)	(1,990,291)
	(5,276,620)	(1,991,425)

12. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

13. **DIVIDENDS**

	2021 £	2020 £
Dividends paid	2,521,603	8,729,049

14. **INTANGIBLE FIXED ASSETS**

Group

	Goodwill £
COST	
Additions	1,733,552
At 31 December 2021	1,733,552
AMORTISATION	
Amortisation for year	27,961
At 31 December 2021	27,961
NET BOOK VALUE	
At 31 December 2021	1,705,591

Goodwill has arisen as a result of the acquisition of 100% of the share capital of Mörknässkogens Wind Ab during the year.

15. **TANGIBLE FIXED ASSETS**

Group

	Land & Buildings £	Solar PV assets £	Fixtures & fittings £	Other assets £	Totals £
COST					
At 1 January 2021	-	155,709	4,261	49,294	209,264
Additions	5,000	54,612	7,000	350,805	417,417
At 31 December 2021	5,000	210,321	11,261	400,099	626,681
DEPRECIATION					
At 1 January 2021	-	-	746	20,744	21,490
Charge for year	-	-	1,137	35,082	36,219
At 31 December 2021	-	-	1,883	55,826	57,709
NET BOOK VALUE					
At 31 December 2021	5,000	210,321	9,378	344,273	568,972
At 31 December 2020	-	155,709	3,515	28,550	187,774

15. **TANGIBLE FIXED ASSETS - continued**

Company

	Land & Buildings £	Other assets £	Totals £
COST			
Additions	5,000	328,164	331,164
At 31 December 2021	5,000	328,164	331,164
DEPRECIATION			
Charge for year	-	16,063	16,063
At 31 December 2021	-	16,063	16,063
NET BOOK VALUE			
At 31 December 2021	5,000	312,101	317,101

16. **FIXED ASSET INVESTMENTS**

Group

	Associated undertakings £	Interest in Ordinary shares £	joint ventures Preference shares/loans £	Total £
Cost:				
At 1 January	131,053	1,031,151	-	1,162,204
Additions	797,550	186,905	1,168,120	2,152,575
Share of profit	1,667,562	-	-	1,667,562
Share of loss	-	(533,892)	-	(533,892)
At 31 December 2021	2,596,165	723,988	1,168,121	4,448,449

Company

	Associated undertakings £	Subsidiary undertakings £	Total £
Cost:			
At 1 January 2021	-	-	-
Additions	472,950	967	473,917
At 31 December 2021	472,950	967	473,917

16. Investments (continued)

Investment in associates & subsidiary undertakings:

Details of the investments in which the parent company held 20% or more of the nominal value of any class of share capital as at 31 December 2021 are as follows (* held by a subsidiary undertaking):

Name of company	Holding	Proportion of shares held
Balliemeanoch Wind Farm Limited*	Ordinary shares	100%
Chalton Manor Solar Farm Limited*	Ordinary shares	100%
Cornwell Solar Farm Limited*	Ordinary shares	100%
Costa Head Wind Farm Limited*	Ordinary shares	100%
Crouch Solar Farm Limited*	Ordinary shares	100%
Drover Lane Solar Farm Limited*	Ordinary shares	100%
Fox Covert Solar Farm Limited*	Ordinary shares	100%
Esse Vind Ab	Ordinary shares	33%
Gairy Hill Wind Farm Limited*	Ordinary shares	100%
Grid System Services Limited*	Ordinary shares	70%
Grid System Services Limited*	Preference shares	100%
Harlsford Solar Farm Limited*	Ordinary shares	100%
Hesta Head Wind Farm Limited*	Ordinary shares	100%
Hoolan Energy Limited	Ordinary shares	100%
Inkersall Solar Farm Limited*	Ordinary shares	100%
Jura Wind Limited*	Ordinary shares	50%
Knightcote Road Solar Farm Limited*	Ordinary shares	100%
Layer Solar Farm Limited*	Ordinary shares	100%
LC Development Finland Oy	Ordinary shares	100%
LC Energy B.V	Ordinary shares	50%
LC Energy B.V	Preference shares	100%
LC Energi Ab*	Ordinary shares	50%
LC Nadia Limited	Ordinary shares	100%
LCIP Finland Wind Oy	Ordinary shares	100%
LCW2E2 Development Limited	Ordinary shares	100%
Low Carbon Asset Management Limited	Ordinary shares	100%
Low Carbon UK Solar Holdings Limited* (formerly Low Carbon Bond Company Limited)	Ordinary shares	100%
Low Carbon EAAS Limited	A Ordinary shares	100%
Low Carbon EAAS Limited	B Ordinary shares	0%
Low Carbon Finland Wind Limited	Ordinary shares	100%
Low Carbon Ireland Limited	Ordinary shares	100%
Low Carbon Netherlands Limited	A Ordinary shares	100%
Low Carbon Netherlands Limited	B Ordinary shares	0%
Low Carbon OpCo Limited	Ordinary shares	100%
Low Carbon Poland Solar Limited	Ordinary shares	100%
Low Carbon Solar Investment Company Limited	Ordinary A1 shares	100%
Low Carbon Solar Investment Company Limited	Ordinary A2 shares	100%
Low Carbon Solar Investment Company Limited	Ordinary B1 shares	100%
Low Carbon Solar Investment Company Limited	Ordinary B2 shares	100%
Low Carbon Solar Investment Company 5 Limited*	Ordinary shares	100%
Low Carbon Solar Park 1 Limited*	Ordinary shares	100%
Low Carbon Solar Park 2 Limited*	Ordinary shares	100%
Low Carbon Solar Park 3 Limited*	Ordinary shares	100%
Low Carbon Solar Park 4 Limited*	Ordinary shares	100%
Low Carbon Solar Park 5 Limited*	Ordinary shares	100%
Low Carbon Solar Park 6 Limited*	Ordinary shares	100%
Low Carbon Solar Park 7 Limited*	Ordinary shares	100%
Low Carbon Solar Park 8 Limited*	Ordinary shares	100%
Low Carbon Solar Park 9 Limited*	Ordinary shares	100%

16. Investments (continued)

Name of company	Holding	Proportion of shares held
Low Carbon Solar Park 10 Limited*	Ordinary shares	100%
Low Carbon Solar Park 11 Limited*	Ordinary shares	100%
Low Carbon Solar Park 12 Limited*	Ordinary shares	100%
Low Carbon Solar Park 13 Limited*	Ordinary shares	100%
Low Carbon Solar Park 14 Limited*	Ordinary shares	100%
Low Carbon Solar Park 15 Limited*	Ordinary shares	100%
Low Carbon Solar Park 16 Limited*	Ordinary shares	100%
Low Carbon Solar Park 17 Limited*	Ordinary shares	100%
Low Carbon Solar Park 18 Limited*	Ordinary shares	100%
Low Carbon Solar Park 19 Limited*	Ordinary shares	100%
Low Carbon Solar Park 20 Limited*	Ordinary shares	100%
Low Carbon Solar Park 21 Limited*	Ordinary shares	100%
Low Carbon Solar Park 22 Limited*	Ordinary shares	100%
Low Carbon Storage Ireland Limited	A Ordinary shares	100%
Low Carbon Storage Ireland Limited	B Ordinary shares	0%
Low Carbon Sweden Solar Limited	Ordinary shares	100%
Low Carbon UK Solar Investment Company Limited	A Ordinary shares	100%
Low Carbon UK Solar Investment Company Limited	B Ordinary shares	0%
Low Carbon UK Wind Development Company Limited	Ordinary shares	100%
Low Carbon W2E2 Limited	A Ordinary shares	100%
Low Carbon W2E2 Limited	B Ordinary shares	0%
Low Carbon Windco 1 Limited	Ordinary shares	100%
Low Carbon Wind Investment Company 1 Limited	A Ordinary shares	100%
Low Carbon Wind Investment Company 1 Limited	B Ordinary shares	0%
Medway Energy Recovery Limited	Ordinary shares	100%
Morknasskogens Wind Ab	Ordinary shares	100%
Nur Energie Limited	Ordinary shares	1.27%
Nur Energie Limited	Ordinary B preference shares	53.45%
Nur Energie Limited	Ordinary A preference shares	0%
Parc Solar Traffwll Limited*	Ordinary shares	100%
Redcar Holdings Limited*	Ordinary shares	65%
St Clere's Solar Farm Limited*	Ordinary shares	100%
Gate Burton Energy Park Limited* (Formerly WB Energy Park Limited)	Ordinary shares	100%
Zonnepark Woudbloem B.V*	Ordinary shares	50%
Zonnepark Veenweg Ter Apel B.V*	Ordinary shares	50%
Zonnepark Veenweg Ter Apel 2 B.V*	Ordinary shares	50%
Zonnepark Nergena B.V*	Ordinary shares	50%
Zonnepark Keppelsweg B.V*	Ordinary shares	50%
Zonnepark Havebos B.V*	Ordinary shares	50%
Zonnepark Werkhoven*	Ordinary shares	50%
Zonnepark Agger B.V*	Ordinary shares	50%
Zonnepark Wijerbroek Oost B.V*	Ordinary shares	50%
Zonnepark Wijerbroek West B.V*	Ordinary shares	50%
Zonnepark Bergweg Mariahoop B.V*	Ordinary shares	50%
Zonnepark Wusterveld B.V*	Ordinary shares	50%
Zonnepark De Stegenhoek B.V*	Ordinary shares	50%
LC Danube B.V* (formerly LC Nadia B.V)	Ordinary shares	100%
LC Danube Holdings 1 B.V* (formerly LC Nadia Holdings 1.BV)*	Ordinary shares	100%
LC Danube Holdings 2 B.V* (formerly LC Nadia Holdings 2 BV)*	Ordinary shares	100%
Nero Adamdel Renewables SA	Ordinary shares	75%
Nero Renewables Romania SA	Ordinary shares	75%
Kilmannock Battery Storage Limited*	Ordinary shares	37%
Porterstown Battery Storage Limited*	Ordinary shares	37%

16. Investments (continued)

Name of company	Holding	Proportion of shares held
Mullavilly Energy Limited*	Ordinary shares	49%
Drumkee Energy Limited*	Ordinary shares	49%
BH Energy Gap (Doncaster) Limited*	Ordinary B shares	100%
BH Energy Gap (Doncaster) Limited*	Ordinary A1 shares	100%
BH Energy Gap (Doncaster) Limited*	Ordinary A2 shares	0%
Broad Energy (Wales) Limited*	Ordinary shares	0%
Broad Energy (Wales) Limited*	Ordinary A shares	0%
Broad Energy (Wales) Limited*	Ordinary B shares	100%

Each company is incorporated in the United Kingdom, with the exception of the following:

Company	Country of incorporation
Grid System Services Limited	Republic of Ireland
Kilmannock Battery Storage Limited	Republic of Ireland
Porterstown Battery Storage Limited	Republic of Ireland
LC Energy B.V	Netherlands
Zonnepark Woudbloem B.V	Netherlands
Zonnepark Veenweg Ter Apel B.V	Netherlands
Zonnepark Veenweg Ter Apel 2 B.V	Netherlands
Zonnepark Nergena B.V	Netherlands
Zonnepark Keppelsweg B.V	Netherlands
Zonnepark Havebos B.V	Netherlands
Zonnepark Werkhoven B.V	Netherlands
Zonnepark Agger B.V	Netherlands
Zonnepark Wijerbroek Oost B.V	Netherlands
Zonnepark Wijerbroek West B.V	Netherlands
Zonnepark Bergweg Mariahoop B.V	Netherlands
Zonnepark Wusterveld B.V	Netherlands
Zonnepark De Stegenhoek B.V	Netherlands
LC Danube B.V (formerly LC Nadia B.V)	Netherlands
Danube Holdings 1 B.V (formerly LC Nadia Holdings 1 B.V)	Netherlands
Danube Holdings 2 B.V (formerly LC Nadia Holdings 2 B.V	Netherlands
Nero Adamdel Renewables SA	Romania
Nero Renewables Romania SA	Romania
LCIP Finland Wind Oy	Finland
LC Development Finland Oy	Finland
Morknasskogens Wind Ab	Finland
Esse Vind Ab	Finland
LC Energi Ab	Sweden

The registered office for each company, is Stirling Square, 5-7 Carlton Gardens, London, SW1Y 5AD, with the exception of the following:

Company	Registered office
Grid System Services Limited	Glen Erin, Caulstown, Dunboyne, Co. Meath, D13RR77
Kilmannock Battery Storage Limited	38/39 Fitzwilliam Square West, Dublin 2
Porterstown Battery Storage Limited	38/39 Fitzwilliam Square West, Dublin 2
Mullavilly Energy Limited	The Scapel, 18th Floor 52 Lime Street, London, EC3M 7AF
Drumkee Energy Limited	The Scapel, 18th Floor 52 Lime Street, London, EC3M 7AF
LC Energy B.V	Broland 12, 6708 WH Wageningen
Zonnepark Woudbloem B.V	Broland 12, 6708 WH Wageningen
Zonnepark Veenweg Ter Apel B.V	Broland 12, 6708 WH Wageningen
Zonnepark Veenweg Ter Apel 2 B.V	Broland 12, 6708 WH Wageningen
Zonnepark Nergena B.V	Broland 12, 6708 WH Wageningen
Zonnepark Keppelsweg B.V	Broland 12, 6708 WH Wageningen

16. Investments (continued)

Company	**Registered office**
Zonnepark Havebos B.V	Broland 12, 6708 WH Wageningen
Zonnepark Werkhoven B.V	Broland 12, 6708 WH Wageningen
Zonnepark Agger B.V	Broland 12, 6708 WH Wageningen
Zonnepark Wijerbroek Oost B.V	Broland 12, 6708 WH Wageningen
Zonnepark Wijerbroek West B.V	Broland 12, 6708 WH Wageningen
Zonnepark Bergweg Mariahoop B.V	Broland 12, 6708 WH Wageningen
Zonnepark Wusterveld B.V	Broland 12, 6708 WH Wageningen
Zonnepark De Stegenhoek B.V	Broland 12, 6708 WH Wageningen
LC Nadia B.V	Amstelveenseweg 760, Amsterdam, 1081 JK
LC Nadia Holdings 1 B.V	Amstelveenseweg 760, Amsterdam, 1081 JK
LC Nadia Holdings 2 B.V	Amstelveenseweg 760, Amsterdam, 1081 JK
Nero Adamdel Renewables SA	Street Siriului 33A, AP.3, Floor, Room C1, Module C1.2, Bucharest, Romania
Nero Renewables Romania SA	Street Siriului 33A, AP.3, Floor, Room C1, Module C1.2, Bucharest, Romania
BH Energy Gap (Doncaster) Limited	6 Queen Street, Leeds, West Yorkshire, LS1 2TW
Broad Energy (Wales) Limited	Buttington Quarry, Buttington, Welshpool, Powys, SY21 8SZ
Costa Head Wind Farm Limited	Hoolan Energy Limited, 16 Young Street, Edinburgh, EH2 4JB
Hesta Head Wind Farm Limited	Hoolan Energy Limited, 16 Young Street, Edinburgh, EH2 4JB
Nur Energie Limited	95 Aldwych, London, WC2B 4JF
LCIP Finland Wind Oy	Erottajankatu 15-17, 00130, Helsinki, Finland
LC Development Oy	Erottajankatu 15-17, 00130, Helsinki, Finland
Morknasskogens Wind Ab	Bruksgatan 144, 66810 Kimo, Finland
Esse Vind Ab	Radhusgatem 21 B11, VAASA, 65100, Finland
LC Energi Ab	Bohusgaten 15, 411 39 Gothenburg, Sweden

For the year ended 31 December 2021 the above subsidiaries incorporated in the United Kingdom (greater than 50%) were entitled to, and applied the exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

17. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		**Company**
	2021	2020	2021
	£	£	£
Trade receivables	865,638	15,781	379,077
Amounts owed by group undertakings	-	-	27,229,015
Other debtors	2,763,840	1,662,919	670,547
Short term loans receivable	3,876,195	2,830,424	-
VAT	528,309	574,506	23,948
Accrued income	195,915	403	-
Prepayments	228,683	120	171,996
	8,458,580	5,084,153	28,474,583

Amounts owed by group undertakings are unsecured, attract interest at a rate of 5% per annum and are repayable on demand.

Included in short term loans receivable is £2,289,866 (2020: £927,905) due from related parties. See note 27 for further details.

Due to the nature of these receivables, the carrying value approximates their fair value.

18. CASH AT BANK

	Group		Company
	2021	2020	2021
	£	£	£
Bank Current Account	60,236,775	1,599,703	59,635,026
Bank Deposit Account	15,000,000	-	15,000,000
	75,236,775	1,599,703	74,635,026

Bank deposit account relates to cash held with banking institutions with a maturity date of greater than 95 days from the reporting date.

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company
	2021	2020	2021
	£	£	£
Trade payables	6,161,303	713,155	5,902,917
Amounts owed to group undertakings	3,956,541	10,593,300	4,070,624
Tax	-	15,346	-
PAYE	337,767	-	335,721
Other creditors	314,364	1,699,985	105
Accrued expenses	2,772,881	721,135	1,589,459
	13,542,856	13,742,921	11,898,826

Amounts owed to group undertakings are unsecured, attract interest at a rate of 5% per annum and are repayable on demand.

Included in other creditors is £nil (2020: £1,353,972) owed by related parties. See note 27 for further details.

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2021	2020
	£	£
Bank loans (see note 21)	2,273,621	-

21. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2021	2020
	£	£
Amounts falling due between one and two years:		
Senior bank loans	2,273,621	-

Bank Loans attract interest at Euribor + 11% per annum, is secured by a fixed and floating charge over the assets of LCIP Finland Wind Oy and is repayable on 31 July 2023.

22. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Obligations under operating leases
As at 31 December the company has future minimum rentals payable under non-cancellable operating leases are as follows:

	Group		Company
	2021	2020	2021
	£	£	£
Land and buildings			
Not later than one year	86,728	-	36,178
After one year but not more than five years	-	-	-
After five years	-	-	-
	86,728	-	36,178

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
3,332,000	Ordinary	0.00001	33	25

The Company issued 1 Ordinary £1 share at par on incorporation.

On 1 October 2021 the company issued 229,928 Ordinary £1 shares at par

On 29 October 2021 the company issued 26 Ordinary £1 shares at par

On 01 November 2021 the company subdivided its 229,955 £1 Ordinary shares into 22,995,500 Ordinary £0.01 shares.

On 02 November 2021 the company reduced its share capital by the cancellation of 22,993,001 £0.01 Ordinary shares.

On 03 November the company subdivided its 2,499 £0.01 Ordinary shares into 2,499,500 Ordinary £0.00001 shares.

On 8th November 2021 the company issued 833,000 £0.00001 Ordinary shares at a premium of £120.048009 per share.

24. **RESERVES**

Group

	Accumulated losses £	Share premium £	Recapitalisation reserve £	Totals £
At 1 January 2021	(5,950,687)	-	229,930	(5,720,757)
Deficit for the year	(15,784,847)			(15,784,847)
Dividends	(2,521,603)			(2,521,603)
Addition to reserve	-	99,999,992	-	99,999,992
At 31 December 2021	(24,257,137)	99,999,992	229,930	75,972,785

Company

	Accumulated losses £	Share premium £	Recapitalisation reserve £	Totals £
Deficit for the year	(8,228,154)			(8,228,154)
Purchase of own shares	-	-	229,930	229,930
Addition to reserve	-	99,999,992	-	99,999,992
At 31 December 2021	(8,228,154)	99,999,992	229,930	92,001,768

25. **ULTIMATE PARENT COMPANY**

At 31 December 2021 the company is under the joint control of Low Carbon Group Limited, a Limited Company incorporated in England and Wales, and MassMutual Holding LLC a Delaware Limited Liability Corporation. There is no ultimate beneficial owner.

The smallest and largest group in which the Company is consolidated and which publishes consolidated financial statements is Low Carbon Limited, whose financial statements can be obtained from Stirling Square, 5-7 Carlton Gardens, London SW17 5AD.

26. **CONTINGENT LIABILITIES**

There were no contingent liabilities at the balance sheet date.

27. RELATED PARTY DISCLOSURES

Group
During the current year the following related party transactions have been undertaken:

	2021	2020
	£	£
Dividends paid to minority shareholders of subsidiaries within the Low Carbon Limited Group	464,603	1,648,770
Dividends paid to the joint controlling party by subsidiaries within the Low Carbon Limited Group	2,057,000	7,044,280
Consultancy fees and expenses charged to the group by a company controlled by a director of Low Carbon Limited	67,598	-
Revenue charged to other subsidiaries of the parent of the joint controlling party	1,281,658	1,426,600
Share Capital and Premium investment received from MassMutual Holding LLC (Note 23)	100,000,000	-

During the current year the following transactions have been undertaken with the joint controlling party and its subsidiaries:

	2021	2020
	£	£
Loan receipts	27,535,392	16,680,117
Loans repayments	(34,859,827)	(16,446,023)
Loan Interest charged	687.677	645,513

At the period end the following balances remain outstanding;

	2021	2020
	£	£
Amounts owed to group undertakings (Note 19)	3,956,541	10,593,300

During the current year the following transactions have been undertaken with joint ventures, associates and entities over which the Low Carbon Limited group has significant influence:

	2021	2020
	£	£
Loan advances	2,622,992	2,934,903
Loans repayments	-	(749,486)
Loan Interest charged	92,941	41,381

At the period end the following balances remain outstanding;

	2021	2020
	£	£
Short term loans receivable (Note 17)	2,289,866	927,905
Other creditors (Note 19)	-	1,353,972

27. **RELATED PARTY DISCLOSURES (continued)**

Company

	2021
	£
Consultancy fees and expenses charged to the group by a company controlled by a director of Low Carbon Limited	67,598
Share Capital and Premium investment received from MassMutual Holding LLC (Note 23)	100,000,000

During the current year the following transactions have been undertaken with the joint controlling party:

	2021
	£
Loan receipts	22,629,239
Loans repayments	(19,091,142)
Loan Interest charged	418,444

At the period end the following balances remain outstanding;

	2021
	£
Amounts owed to group undertakings (Note 19)	3,956,541

During the current year the following transactions have been undertaken with entities not entitled to the disclosure exemption:

	2021
	£
Loan advances	27,025,083
Loans repayments	(227,996)
Provisions	(250,559)
Loan Interest charged	568,510

At the period end the following balances remain outstanding;

	2021
	£
Amounts owed by group undertakings (Note 17)	27,229,015
Amounts owed to group undertakings (Note 19)	113,978

28. **POST BALANCE SHEET EVENTS**

In February 2022 Low Carbon Limited (formerly Low Carbon Energy Holdings Limited) acquired the entire share capital of Low Carbon Investment Partners Limited and its subsidiaries from Low Carbon Group Limited (formerly Low Carbon Limited).

29. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021	2020
	£	£
(Loss)/profit before taxation	(17,172,351)	5,910,756
Depreciation charges	64,179	11,921
Share of profit / loss on associate	(1,133,670)	(6,191,679)
Finance costs	831,671	645,906
Finance income	(314,186)	(533,327)
	(17,724,357)	(156,423)
Increase in trade and other debtors	(3,302,990)	(2,285,938)
Increase in trade and other creditors	6,441,341	2,166,744
Cash generated from operations	(14,586,006)	(275,617)

30. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2021

	31/12/21	1/1/21
	£	£
Cash at bank and in hand	60,236,775	1,599,703
Short term deposits	15,000,000	-

Year ended 31 December 2020

	31/12/20	1/1/20
	£	£
Cash at bank and in hand	1,599,703	380,229

31. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1/1/21	Cash flow	At 31/12/21
	£	£	£
Net cash			
Cash at bank and in hand	1,599,703	58,637,072	60,236,775
Short term deposits	-	15,000,000	15,000,000
	1,599,703	73,637,072	75,236,775
Debt			
Debts falling due within 1 year	(10,593,300)	10,593,300	-
Debts falling due after 1 year	-	(2,273,621)	(2,273,621)
	(10,593,300)	8,319,679	(2,273,621)
Total	(8,993,597)	81,956,751	72,963,154