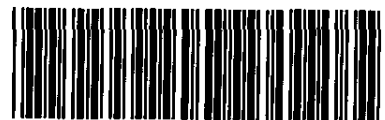


Registered number: 08836542

**The Fern Power Company Limited**

**Annual report and unaudited financial statements  
For the year ended 30 June 2022**

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# **The Fern Power Company Limited**

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# **The Fern Power Company Limited**

## **Company information**

<b>Directors</b>	Sarah Mary Grant Matthew George Setchell Edward William Fellows
<b>Company secretary</b>	Octopus Company Secretarial Services Limited
<b>Registered number</b>	08836542
<b>Registered office</b>	6th Floor 33 Holborn London England EC1N 2HT

## **The Fern Power Company Limited**

### **Strategic report for the year ended 30 June 2022**

#### **Introduction**

*The directors present their Strategic report and unaudited financial statements of The Fern Power Company Limited (the "Company") for the year ended 30 June 2022.*

#### **Principal activities and business review**

*The Fern Power Company Limited is 100% owned by Cedar Energy and Infrastructure Limited and its ultimate parent company is Fern Trading Limited. The principal activity of the Company is that of a holding company.*

*The results for the Company for the year ended 30 June 2022 and financial position as at that date were in line with expectations.*

#### **Principal risks and uncertainties**

*The Company's financial risk management seeks to minimise the exposure to energy market risk and performance risk.*

##### **Energy market risk**

*There is a risk that subsidiary energy sites could fail to achieve forecast levels of income due to changes in energy prices or government subsidies.*

##### **Performance risk**

*Unpredictable weather conditions and operational availability could impact revenue generated from subsidiary energy sites.*

*Performance risk is mitigated through the group's operational strategy. The servicing of assets is optimised to maximise availability and limit downtime. This is achieved through performance-backed contractual obligations of key service providers, implementing a spares strategy and enhanced data monitoring to enable faster response times and limit downtime.*

## The Fern Power Company Limited

### Strategic report (continued) for the year ended 30 June 2022

#### Statement by the Directors in performance of their statutory duties in accordance with section 172(1)(a) to (f) Companies Act 2006

The directors have considered the interest of other stakeholders within the Directors' report, which will have an impact on the long-term success of the Company when performing their duty to promote the success of the Company under section 172. The directors view the key stakeholders of the Company to be shareholders, suppliers and borrowers. When making decisions, each director ensures that they act in the way they consider, in good faith and would most likely promote the Company's success for the benefit of its members. The directors make the following considerations when considering promoting the success of the Company:

- When making decisions, the directors give careful consideration to the impact of those decisions on both the Company and broader stakeholders. This is achieved by considering any new deals or suppliers on a case-by-case basis and assessing the impact on the long-term objectives of the Company, as well as the impact on and reputation of the other party. In doing so, the directors also consider the impact on other stakeholders, in particular the shareholders.
- The Company acts in a fair manner with all suppliers and borrowers and seeks to maintain strong business relationships with them. This is achieved by all contracts being negotiated through fair and transparent tender processes which includes an assessment of the impact on the long-term objectives of the Company.
- The Company ensures that outsourced activities are with reputable suppliers who meet all the relevant industry and regulatory commitments as well as treating employees fairly. This is stated in agreements with outsourcers and adherence to this is monitored by the Company management team.
- The Company treats all suppliers fairly, endeavouring to pay invoices within the terms of the contract. Any disputes are resolved promptly with key relationship personnel.
- Through the activities in which the Company's subsidiaries operate, a positive contribution is made to the environment and economy through generation of renewable energy, helping the United Kingdom meet its renewable energy targets.

The directors understand the business and the evolving environment in which we operate and have considered the businesses specific risks and uncertainties within this Strategic report.

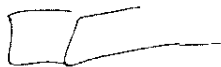
#### Financial key performance indicators

The Company focuses on capital preservation. In the case of its operational subsidiaries, performance is measured by revenue and EBITDA and compared against the budget set at the beginning of the year. On a quarterly basis, performance is measured against detailed financial forecast model and a returns target set at inception. Results thus far have been in line with expectations.

#### Objectives and strategies

The directors do not expect any change in the Company's activities during the next financial year.

This report was approved by the board on 14 February 2023 and signed on its behalf:



**Edward William Fellows**  
Director

## **The Fern Power Company Limited**

### **Directors' report for the year ended 30 June 2022**

The directors present their report and the unaudited financial statements of the Company for the year ended 30 June 2022.

#### **Results and dividends**

The profit for the year amounted to £22,161,000 (2021: loss of £14,762,000) and at the year end the Company had net assets of £200,580,000 (2021: £131,104,000).

The directors recommended and paid a dividend of £11,500,000 (2021: £nil).

#### **Share capital**

During the year, 58,815,720 ordinary shares of £0.01 each for a total consideration of £58,815,720.

On 5 January 2022, the Company has reduced its share capital to 10,000 ordinary shares of £0.01 each.

#### **Going concern**

*The financial statements have been prepared on the going concern basis. The directors have assessed the Company's ability to meet its liabilities as they fall due, including a review of the effects of the ongoing Ukraine-Russia conflict, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and potential to adversely impact global economies, which has driven a sharp increase in volatility across markets.*

The directors have determined that based on recent trading of the Company and revised projections, the above events are not expected to have a detrimental impact on the Company's business. Further, the ultimate controlling party, Fern Trading Limited, will continue to support the operations of the Company for a period of at least 12 months from the date on which the financial statements are approved. The directors will continue to monitor the situation and take any necessary actions to minimise the possible negative impacts of these events.

#### **Directors of the Company**

The directors who served during the financial year ended 30 June 2022 and up to the date of signing the financial statements, unless otherwise indicated, are given below:

Sarah Mary Grant (appointed on 6 January 2023)  
Matthew George Setchell  
Edward William Fellows (appointed on 21 September 2021)  
*Jonathan Charles Nigel Digges (resigned on 21 September 2021)*  
Paul Stephen Latham (resigned on 6 January 2023)

#### **Matters covered in the Strategic report**

As permitted by section 414c (11) of the Companies Act 2006, the directors have elected to disclose information required to be in the Directors' report by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008', in the Strategic report.

#### **Qualifying third party indemnity provision**

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

## **The Fern Power Company Limited**

### **Directors' report for the year ended 30 June 2022 (continued)**

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the 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 United Kingdom and Republic of Ireland", and applicable law). 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 of the profit or loss of the Company 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 Company will continue in business.

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

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 enable them to ensure that the financial statements comply with the Companies Act 2006.

#### **Audit exemption**

The directors consider that the Company is entitled to an exemption from the requirement to have an audit under section 479A of the Companies Act 2006. Under the provisions of section 479C of the Companies Act 2006, Fern Trading Limited, the ultimate parent company, has given a statutory guarantee of all the outstanding liabilities to which the Company is subject at 30 June 2022.

#### **Events since the Balance sheet date**

There have been no material adjusting or disclosable events since the financial year end.

This report was approved by the board on 14 February 2023 and signed on its behalf:



**Edward William Fellows**  
Director

## The Fern Power Company Limited

### Statement of comprehensive income for the year ended 30 June 2022

	Note	2022 £000	2021 £000
Administrative expenses		(31)	(7)
<b>Operating loss</b>		<b>(31)</b>	<b>(7)</b>
Impairment reversal/(charge) of investments	7	219	(862)
Impairment reversal/(charge) of intercompany loan	8	5,959	(20,400)
Interest receivable	5	15,037	8,046
<b>Profit/(loss) before taxation</b>		<b>21,184</b>	<b>(13,223)</b>
Taxation	6	977	(1,539)
<b>Profit/(loss) for the financial year</b>		<b>22,161</b>	<b>(14,762)</b>

All activities of the Company are from continuing operations.

The Company has no items of other comprehensive income for the current or preceding financial year. Therefore, no separate statement of other comprehensive income has been presented.

The notes on pages 9 to 18 form an integral part of these financial statements.



**The Fern Power Company Limited**  
**Registered number: 08836542**

**Balance sheet**  
**as at 30 June 2022**

	<b>Note</b>	<b>2022</b> <b>£000</b>	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>	<b>2021</b> <b>£000</b>
<b>Fixed assets</b>					
Investments	7		<b>1,321</b>		1,102
<b>Current assets</b>					
Debtors: amounts falling due within one year	8	<b>200,233</b>		133,895	
Cash at bank and in hand		<b>39</b>		199	
		<b>200,272</b>		134,094	
<b>Creditors: amounts falling due within one year</b>	9	<b>(1,013)</b>		<b>(4,092)</b>	
<b>Net current assets</b>			<b>199,259</b>		130,002
<b>Total assets less current liabilities</b>			<b>200,580</b>		131,104
<b>Net assets</b>			<b>200,580</b>		131,104
<b>Capital and reserves</b>					
Called-up share capital	10		-		1,456
Share premium account	11		<b>10</b>		144,144
Profit and loss account	11		<b>200,570</b>		(14,496)
<b>Total shareholder's funds</b>			<b>200,580</b>		131,104

For the year ended 30 June 2022, the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
14 February 2023



**Edward William Fellows**  
**Director**

The notes on pages 9 to 18 form an integral part of these financial statements.

**The Fern Power Company Limited**

**Statement of changes in equity  
for the year ended 30 June 2022**

	Called-up share capital £000	Share premium account £000	Profit and loss account £000	Total shareholder's funds £000
<b>At 1 July 2020</b>	<b>1,018</b>	<b>100,746</b>	<b>266</b>	<b>102,030</b>
Loss for the financial year	-	-	<b>(14,762)</b>	<b>(14,762)</b>
Shares issued during the year	<b>438</b>	<b>43,398</b>	-	<b>43,836</b>
<b>At 30 June 2021 and 1 July 2021</b>	<b>1,456</b>	<b>144,144</b>	<b>(14,496)</b>	<b>131,104</b>
Profit for the financial year	-	-	<b>22,161</b>	<b>22,161</b>
<i>Dividends paid (note 12)</i>	-	-	<b>(11,500)</b>	<b>(11,500)</b>
Shares issued during the year (note 10)	<b>588</b>	<b>58,227</b>	-	<b>58,815</b>
Cancellation of called-up share capital (note 10)	<b>(2,044)</b>	<b>(202,361)</b>	<b>204,405</b>	-
<b>At 30 June 2022</b>	<b>-</b>	<b>10</b>	<b>200,570</b>	<b>200,580</b>

The notes on pages 9 to 18 form an integral part of these financial statements.

## The Fern Power Company Limited

### Notes to the financial statements for the year ended 30 June 2022

#### 1. General information

The Fern Power Company Limited is a private company, limited by shares, incorporated and domiciled in England, the United Kingdom, registered number: 08836542. The registered office is at 6th Floor, 33 Holborn, London, England, EC1N 2HT.

The Company is the parent company of a group of companies of which the principal activities are that of operation of reserve power plants.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

*The financial statements are prepared on going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland 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 management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company's functional and presentation currency is the pound sterling.

The following principal accounting policies have been applied:

##### 2.2 Exemptions for qualifying entities under FRS 102

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of the group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit and loss of the group.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under section 7 of FRS 102 and paragraph 3.17(d);
- from disclosing the Company's key management personnel compensation as required by FRS 102 paragraph 33.7; and
- from disclosing related party transactions that are wholly owned within the same group as required by FRS 102 paragraph 33.8. .

##### 2.3 Consolidation

These financial statements contain information about the Company as an individual company and do not contain consolidated financial information as a parent undertaking of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Fern Trading Limited, a company incorporated in England, the United Kingdom.

## The Fern Power Company Limited

### Notes to the financial statements for the year ended 30 June 2022 (continued)

#### 2. Accounting policies (continued)

##### 2.4 Going concern

The financial statements have been prepared on the going concern basis. The directors have assessed the Company's ability to meet its liabilities as they fall due, including the review of the effect of the ongoing *Ukraine-Russia conflict, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates*, and the potential to adversely impact global economics, which has driven a sharp increase in volatility across markets.

The directors have determined that based on recent trading of the Company and revised projections, the above events are not expected to have a detrimental impact on the Company's business. Further, the ultimate controlling party, Fern Trading Limited, will continue to support the operations of the Company for a period of at least 12 months from the date on which the financial statements are approved. The directors will continue to monitor the situation and take any necessary actions to minimise the possible negative impact of these events.

##### 2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

##### 2.6 Investments

Investments in subsidiary undertakings and associates are accounted for at cost less any provision for impairment. The value of investments is reviewed annually by the directors or more frequently if there is a triggering event and provision made where the investment's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the Statement of comprehensive income. Where an impairment loss subsequently reverses, the carrying amount of the investment is increased to the revised estimate of its *recoverable amount, not to exceed the carrying amount that would have been determined had no impairment losses been recognised for the investment in prior years*. A reversal of impairment loss is recognised immediately in the Statement of comprehensive income.

##### 2.7 Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Statement of comprehensive income.

## The Fern Power Company Limited

### Notes to the financial statements for the year ended 30 June 2022 (continued)

#### 2. Accounting policies (continued)

##### 2.7 Impairment of non-financial assets (continued)

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of comprehensive income.

##### 2.8 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of comprehensive income, 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 period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

###### *(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 the 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.*

##### 2.9 Financial instruments

###### *(i) Financial assets*

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

## The Fern Power Company Limited

### Notes to the financial statements for the year ended 30 June 2022 (continued)

#### 2. Accounting policies (continued)

##### 2.9 Financial instruments (continued)

###### *(i) Financial assets (continued)*

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

For financial assets measured at cost and amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

###### *(ii) Financial liabilities*

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

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such on the Balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Statement of comprehensive income. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

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

##### 2.10 Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

##### 2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## The Fern Power Company Limited

### Notes to the financial statements for the year ended 30 June 2022 (continued)

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

Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### (a) Critical judgements in applying the Company's accounting policies

There are no critical judgements in applying the entity's accounting policies.

##### (b) Critical accounting estimates and assumptions

The key estimates in preparing these financial statements are:

###### *(i) Impairment of intercompany loan receivable*

Loan and advances owned by the group companies, including associated accrued income balances, are reviewed for the impairment on a quarterly basis. In considering the need for a provision, management determine their best estimate of the expected future cash flows, on a case-by-case basis.

As this estimate relies on a certain numbers of assumptions about future events which may differ from actual outcomes, including the borrower's abilities to repay interest and capital due in future periods, this gives rise to judgement as to whether there is a shortfall between the carrying value and their value of debtor balance. Management notes that provisions against loans and advances is a critical estimates and have therefore performed sensitivity analysis on the provision.

###### *(ii) Impairment of investments*

The value of investments in subsidiary undertakings held by the Company is reviewed annually for impairment. The recoverability of these balances is considered with reference to the present value of the estimated future cash flows. These calculations use cash flow projections which extend forward forecasted business performance together with assumptions surrounding the expect life of the asset, externally prepared forecasts and valuations, and any adjustments required to the discount rate to take account of business risk. The estimated present value of these future cash flows is sensitive to the discount rate and growth rate used in the calculation, all of which require management's judgement. Testing of the carrying value has been performed during the year, which has involved several scenarios being modelled. Following this assessment management have concluded that the carrying value of investments in subsidiary entities is supported by the underlying valuations (note 7).

#### 4. Employees and directors' remuneration

The Company had no employees during the year (2021: none). The directors did not receive or waive any remuneration (2021: £nil).

#### 5. Interest receivable

	2022 £000	2021 £000
Interest receivable from group undertakings	<u>15,037</u>	<u>8,046</u>

## The Fern Power Company Limited

### Notes to the financial statements for the year ended 30 June 2022 (continued)

#### 6. Taxation

	2022 £000	2021 £000
<b>Current tax:</b>		
United Kingdom corporation tax on profit/(loss) for the year	-	1,527
Adjustments in respect of previous years	(977)	12
<b>Total current tax</b>	<u>(977)</u>	<u>1,539</u>

#### Factors affecting tax (credit)/charge for the year

The tax assessed for the year is lower (2021: higher) than the standard rate of corporation tax in the United Kingdom of 19% (2021: 19%). The differences are explained below:

	2022 £000	2021 £000
Profit/(loss) before taxation	<u>21,184</u>	<u>(13,223)</u>
Tax on profit/(loss) at standard corporation tax rate of 19% (2021: 19%)	4,025	(2,512)
<b>Effects of:</b>		
Expenses not deductible	(41)	4,039
Adjustments in respect of previous years	(977)	12
Group relief not paid	(2,851)	-
Income not taxable	(1,133)	-
<b>Total tax (credit)/charge for the year</b>	<u>(977)</u>	<u>1,539</u>

#### Factors that may affect future tax charges

The Finance Act 2021 enacted on 10 June 2021 increased the main rate of United Kingdom corporation tax from 19% to 25%, effective from 1 April 2023.



## The Fern Power Company Limited

### Notes to the financial statements for the year ended 30 June 2022 (continued)

#### 7. Investments

	<b>Subsidiary undertakings £000</b>
<b>Cost</b>	
At 1 July 2021	<b>3,044</b>
<b>Impairment</b>	
At 1 July 2021	<b>1,942</b>
Impairment reversal	<b>(219)</b>
At 30 June 2022	<b>1,723</b>
<b>Net book value</b>	
At 30 June 2022	<b>1,321</b>
At 30 June 2021	<b>1,102</b>

During the year, the Company has reversed the impairment on investments amounting to £219,000 (2021: impairment charge of £862,000).

#### *Subsidiary undertakings*

The following were all directly held subsidiary undertakings of the Company:

<b>Name</b>	<b>Country of incorporation</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
Banbury Power Limited	United Kingdom	Ordinary	90%	Energy generation
Bury Power Limited	United Kingdom	Ordinary	100%	Energy generation
Cadoxton Reserve Power Limited	United Kingdom	Ordinary	100%	Energy generation
Cynon Power Limited	United Kingdom	Ordinary	100%	Energy generation
Clyne Power Limited	United Kingdom	Ordinary	100%	Energy generation
Culvery Power Limited	United Kingdom	Ordinary	100%	Energy generation
Dafen Reserve Power Limited	United Kingdom	Ordinary	100%	Energy generation
Harbourne Power Limited	United Kingdom	Ordinary	100%	Energy generation
Hull Reserve Power Limited	United Kingdom	Ordinary	100%	Energy generation
Immingham Power Limited	United Kingdom	Ordinary	100%	Energy generation
Irwell Power Limited	United Kingdom	Ordinary	100%	Energy generation
Kiln Power Limited	United Kingdom	Ordinary	100%	Energy generation
Larigan Power Limited	United Kingdom	Ordinary	100%	Energy generation
Loddon Power Limited	United Kingdom	Ordinary	100%	Energy generation
Marden Power Limited	United Kingdom	Ordinary	100%	Energy generation
Nevern Power Limited	United Kingdom	Ordinary	100%	Energy generation
Northwich Power Limited	United Kingdom	Ordinary	100%	Energy generation

## The Fern Power Company Limited

### Notes to the financial statements for the year ended 30 June 2022 (continued)

#### 7. Investments (continued)

Name	Country of incorporation	Class of shares	Holding	Principal activity
Ogmore Power Limited	United Kingdom	Ordinary	100%	Energy generation
Redlake Power Limited	United Kingdom	Ordinary	100%	Energy generation
Selby Power Limited	United Kingdom	Ordinary	100%	Energy generation
St Asaph Power Limited	United Kingdom	Ordinary	100%	Energy generation
Tillingham Power Limited	United Kingdom	Ordinary	100%	Energy generation
Warrington Power Limited	United Kingdom	Ordinary	100%	Energy generation
Westwood Power Limited	United Kingdom	Ordinary	90%	Energy generation
Wharf Power Limited	United Kingdom	Ordinary	100%	Energy generation
Wolverhampton Power Ltd	United Kingdom	Ordinary	100%	Energy generation

The registered office address for all companies listed above is 6th Floor, 33 Holborn, London, England, EC1N 2HT.

During the year, the Company had acquired the share capital of sixteen Reserve power entities for an equity consideration of £18.

#### 8. Debtors: amounts falling due within one year

	2022 £000	2021 £000
Amounts owed by group undertakings	176,126	114,894
Prepayments and accrued income	21,399	18,490
Other debtors	2,708	511
	<b>200,233</b>	<b>133,895</b>

Included within amounts owed by group undertakings are unsecured loans with year end balances amounting to £175,681,000 (2021: £112,529,000) net of provisions of £24,224,000 (2021: £30,184,000). The loans bear interest at 7.5% (2021: 7.5%) and are repayable on demand. A provision reversal of £5,959,000 (2021: provision of £20,400,000) was made against intercompany loans during the year.

All other amounts owed by group undertakings are unsecured, interest free and repayable on demand.

#### 9. Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	28	-
Amounts owed to group undertakings	36	2,166
Accruals and deferred income	388	387
Corporation tax payable	561	1,539
	<b>1,013</b>	<b>4,092</b>

## The Fern Power Company Limited

### Notes to the financial statements for the year ended 30 June 2022 (continued)

#### 9. Creditors: amounts falling due within one year (continued)

The amounts owed to group undertakings are unsecured, interest free and repayable on demand.

#### 10. Called-up share capital

	2022 £000	2021 £000
<b>Allotted, called-up and fully paid</b>		
10,000 (2021: 145,599,561) ordinary shares of £0.01 each	-	1,456

On 1 July 2021, the Company issued 19,919,820 ordinary shares £0.01 each.

On 2 July 2021, the Company issued 38,895,900 ordinary shares £0.01 each.

On 5 January 2022, the Company reduced its share capital to 10,000 ordinary shares of £0.01 each.

#### 11. Other reserves

	2022 £000	2021 £000
Profit and loss account	200,570	(14,496)
Share premium account	10	144,144

##### *Profit and loss account*

The profit and loss account represent the cumulative profits and losses, net of dividends paid.

##### *Share premium account*

Following the share capital reduction in the year as explained in note 10, the share premium balance has been reduced to £10,000. The distributable reserve arising from the share capital reduction has been included within the profit and loss account.

#### 12. Dividends paid

During the year, the directors recommended and paid a dividend of £11,500,000 (2021: £nil).

#### 13. Related party transactions

The Company has taken advantage of the exemption under paragraph 33.1A from the provisions of FRS 102, on the grounds that as at the year ended 30 June 2022 it was a wholly owned subsidiary.

## **The Fern Power Company Limited**

### **Notes to the financial statements for the year ended 30 June 2022 (continued)**

#### **14. Ultimate parent undertaking and controlling party**

The Company's immediate parent undertaking is Cedar Energy and Infrastructure Limited, a company registered in the United Kingdom and is the smallest group of undertakings to consolidate these financial statements.

The ultimate parent undertaking as at the year ended 30 June 2022 was Fern Trading Limited, a company incorporated in England, United Kingdom. Fern Trading Limited is the largest group of undertakings to consolidate these financial statements. *Copies of Fern Trading Limited's consolidated financial statements can be obtained from the Company Secretary at 6th Floor, 33 Holborn, London, England, EC1N 2HT.*

#### **15. Events since the Balance sheet date**

There have been no material adjusting or disclosable events since the financial year end.