



Better Energy Creswell K/S

Københavnsvej 81
4000 Roskilde
CVR No. 37088102

Annual report 2019

The Annual General Meeting adopted the
annual report on 02.04.2020

Kristian Månsson

Chairman of the General Meeting

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Entity details

Entity

Better Energy Creswell K/S

Københavnsvej 81

4000 Roskilde

CVR No.: 37088102

Registered office: Roskilde

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Mogens Hønnerup Nielsen

Anders Boelskift, formand

Karsten Lund

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Better Energy Creswell K/S for the financial year 01.01.2019 - 31.12.2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We consider the preconditions for not auditing the financial statements for the financial year 01.01.2019 - 31.12.2019 as complied with..

We recommend the annual report for adoption at the Annual General Meeting.

Roskilde, 02.04.2020

Board of Directors

Mogens Hønnerup Nielsen

Anders Boelskift
formand

Karsten Lund

The independent auditor's compilation report

To Management of Better Energy Creswell K/S

We have compiled the financial statements of Better Energy Creswell K/S for the financial year 01.01.2019 - 31.12.2019 based on the Entity's bookkeeping records and other information Management has provided.

These financial statements comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile the financial statements are Management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Kolding, 02.04.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Ørum Nielsen

State Authorised Public Accountant
Identification No (MNE) mne26771

Management commentary

Primary activities

The activity of the company is to acquire and operate 5 land based solar power plants, with a total capacity of 4.994 KWp, located at Creswell in England.

Description of material changes in activities and finances

The result for the year was a loss of DKK 2.203k. The equity at 31.12.2019 amounts to DKK 14.415k.

The loss can mainly be attributed to foreign exchange losses related to the debt which is denominated in GBP.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		3,528,789	2,960,883
Depreciation, amortisation and impairment losses	1	(1,789,927)	(1,766,001)
Operating profit/loss		1,738,862	1,194,882
Other financial income	2	228,418	460,596
Other financial expenses	3	(4,170,342)	(1,934,065)
Profit/loss for the year		(2,203,062)	(278,587)
Proposed distribution of profit and loss			
Retained earnings		(2,203,062)	(278,587)
Proposed distribution of profit and loss		(2,203,062)	(278,587)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Plant and machinery		46,485,605	48,275,532
Property, plant and equipment	4	46,485,605	48,275,532
Fixed assets		46,485,605	48,275,532
Trade receivables		566,392	551,026
Other receivables		79,052	201,770
Prepayments		0	21,232
Receivables		645,444	774,028
Cash		2,468,700	3,322,931
Current assets		3,114,144	4,096,959
Assets		49,599,749	52,372,491

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital	5	38,000,000	38,000,000
Unpaid contributed capital		(23,346,566)	(23,346,566)
Retained earnings		(238,081)	1,964,981
Equity		14,415,353	16,618,415
Bank loans		22,694,589	22,618,587
Other payables		10,261,422	9,869,303
Non-current liabilities other than provisions	6	32,956,011	32,487,890
Current portion of non-current liabilities other than provisions	6	1,572,609	1,222,766
Trade payables		95,997	117,376
Other payables	7	559,779	1,926,044
Current liabilities other than provisions		2,228,385	3,266,186
Liabilities other than provisions		35,184,396	35,754,076
Equity and liabilities		49,599,749	52,372,491
Unrecognised rental and lease commitments	8		
Contingent liabilities	9		
Assets charged and collateral	10		

Statement of changes in equity for 2019

	Contributed capital DKK	Unpaid contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	38,000,000	(23,346,566)	1,964,981	16,618,415
Profit/loss for the year	0	0	(2,203,062)	(2,203,062)
Equity end of year	38,000,000	(23,346,566)	(238,081)	14,415,353

Notes

1 Depreciation, amortisation and impairment losses

	2019 DKK	2018 DKK
Depreciation of property, plant and equipment	1,789,927	1,766,001
	1,789,927	1,766,001

2 Other financial income

	2019 DKK	2018 DKK
Other interest income	11,022	5,416
Exchange rate adjustments	217,396	455,180
	228,418	460,596

3 Other financial expenses

	2019 DKK	2018 DKK
Other interest expenses	2,027,916	1,900,830
Exchange rate adjustments	2,110,580	2,408
Other financial expenses	31,846	30,827
	4,170,342	1,934,065

4 Property, plant and equipment

	Plant and machinery DKK
Cost beginning of year	53,697,785
Cost end of year	53,697,785
Depreciation and impairment losses beginning of year	(5,422,253)
Depreciation for the year	(1,789,927)
Depreciation and impairment losses end of year	(7,212,180)
Carrying amount end of year	46,485,605

5 Share capital

	Number	Nominal value DKK
Ordinary units	100	38,000,000
	100	38,000,000

The General Partner of Better Energy Creswell K/S is Better Energy Partner UK ApS, Copenhagen.

6 Non-current liabilities other than provisions

	Due within 12 months 2019 DKK	Due within 12 months 2018 DKK	Due after more than 12 months 2019 DKK	Outstanding after 5 years 2019 DKK
Bank loans	1,341,658	1,222,766	22,694,589	18,365,580
Other payables	230,951	0	10,261,422	9,372,976
	1,572,609	1,222,766	32,956,011	27,738,556

7 Other payables

	2019 DKK	2018 DKK
Accrued interest	559,779	1,806,441
Other costs payable	0	119,603
	559,779	1,926,044

8 Unrecognised rental and lease commitments

	2019 DKK	2018 DKK
Liabilities under rental or lease agreements until maturity in total	4,212,444	4,418,812

9 Contingent liabilities

The Company is obligated to reestablish the premises at the expiration of the landlease. The land lease expires in 2035, but may be extended for 5+5 year.

10 Assets charged and collateral

Bank debt is secured by way of mortgage on the Solar Plants, trade receivables from sale of electricity and rights and licenses etc.

The mortgage above covering Solar Plants, trade receivables from sale of electricity and rights and licenses etc. has been secondarily pledged as security for a promissory note with an external financing company.

The book value of the pledged Solar Plants amounts to DKK 46.486k (2018, DKK 48.276k).

Cash in the amount of DKK 1.152 k (2018, DKK 1.079k) is pledged as security for bank debt.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of electricity is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses include expenses relating to operation and administration of the Solar Plant.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income, net capital or exchange gains on payables and transactions in foreign currencies etc.

Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses on payables and transactions in foreign currencies and amortisation of financial liabilities etc.

Balance sheet**Property, plant and equipment**

Plant and machinery are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Plant and machinery	30 years
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Estimated useful lives and residual values are reassessed annually. Presently the Solar Plant is recognized with a scrap value of DKK 0.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.