

Vita Green Impact Programme Designated Activity Company

Directors' Report and Financial Statements for the financial year
ended 31 March 2025

Vita Green Impact Programme Designated Activity Company
Directors' Report and Audited Financial Statements

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Vita Green Impact Programme Designated Activity Company

Directors' Report and Audited Financial Statements

Company Information

Directors	Fiachra O Ciardha Sandra Mulvehill
Company secretary	Cafico Secretaries Limited
Registered office	3rd Floor Waterloo Exchange Waterloo Road Dublin 4 Ireland D04 E5W7
Company registration number	734368
Solicitor	Arthur Cox LLP 10 Earlsfor Terrace Dublin D02 T380
Auditor	Forvis Mazars Chartered Accountants & Statutory Audit Firm Block 3 Harcourt Centre Harcourt Road Dublin 2 Ireland D02 A339
Banker	Allied Irish Banks, p.l.c. Currency Account Maintenance Unit 33 Blackthorn Road Sandyford Business Park Dublin 18 D18 E9T3
Corporate services provider	Cafico Corporate Services Limited 3rd Floor Waterloo Exchange Waterloo Road Dublin 4 Ireland D04 E5W7

Directors Report for the Financial Year Ended 31 March 2025

The directors present their Directors' report and the audited Financial Statements of Vita Green Impact Programme Designated Activity Company (the "Company") for the financial year ended 31 March 2025.

Incorporation

The Company was incorporated on 3 February 2023 as a designated activity company limited by shares under the laws of Ireland with company registration number 734368.

Principal activity

The Company has been incorporated in order to participate in the financing of certain projects with the aim of providing rural households in the developing world with essential services such as energy (clean cooking) and water solutions as well as forestry solutions that mitigate climate change and address gender inequality using a community-led model (the "Projects"). It is expected that the Projects will generate carbon credits and that the Company will engage in the purchase and sale of these and other carbon credits. The carbon emission savings are accredited with the UN recognised standards agency, Gold Standard and sold on voluntary carbon markets.

The Company's projects are funded by senior, junior and mezzanine loan notes (the "Notes") and a bridge loan (the "Loan").

Business review

Fair review of the business

During the financial year the Company generated revenue of €36,482 (2024: €18,350) in the form of interest collected on its cash deposits. The Company incurred interest expense of €181,627 on the Notes (2024: €153,553 on the Notes and €17,275 on the Loan). Loss on ordinary activities before taxation for the financial year amounted to €708,497 (2024: €2,787,822).

During the financial year the Company spent €1,191,705 on the Projects (2024: €1,732,000). The full amount was capitalised (2024: expensed), as disclosed in Note 12.

The key performance indicator used by management to monitor performance is earnings before interest and taxation ("EBIT"), which was a loss of €708,497 for the financial year (2024: loss of €2,787,822).

It is the intention of the Directors to continue to develop the trading activities of the Company.

Financial instruments

The principal risks and uncertainties facing the Company and Company's objectives for the use of financial instruments and its financial risk management policies are set out in note 21 of the financial statements.

Results and dividends

The results of the financial year and the financial position of the Company as at the financial year end are set out on pages 9 and 10, respectively.

The Company's loss for the financial year, before taxation, amounted to €708,497 (2024: €2,787,822). No interim dividends were recommended or paid during the financial year (2024: none).

Declaration of material interest in transactions

Cafico Corporate Services Limited (the "Cafico") provide corporate services to the Company at arm's length commercial rates. The directors and the company secretary at the end of the financial year have no interest in shares or debentures of the Company at any time from the beginning up to the end of the financial year.

Directors Report for the Financial Year Ended 31 March 2025 (continued)

Going concern

Feasibility of the Company's Business to earn from Carbon Credits

The Company operates in the carbon credit industry, which is subject to evolving regulations, market conditions and technological advancements aimed at reducing carbon emissions. The market is heavily influenced by international agreements such as the Paris agreements, voluntary carbon markets and compliance driven carbon trading schemes (e.g. The EU Emissions Trading System).

The project is expected to generate carbon credits for a period of at least 7 years. The sale of the generated carbon credits will provide cash inflows and profitability for the Company that will be sufficient to sustain and continue its operations on a foreseeable future.

As at year-end, the Company has been arranging for the receipt and sale of carbon credits. In addition, it has scheduled projects to be delivered in subsequent years which includes the stoves and water points to be repaired. These will also generate more carbon credits for the Company that is approximately be sold at €18.3m.

The Company has assessed its ability to continue as a going concern, taking into account the following factors:

Financial Performance

The Company experienced a net loss of €0.7 million during the financial year (2024: €2.8 million) with a net deficit of €2.6 million as at 31 March 2025 (€2.1 million as at 31 March 2024). The Company has cash reserves and advances to suppliers of €1.5 million and €0.6 million, respectively at this date (2024: €3.2 million and €0.8 million) with loans and borrowings and current liabilities of €6.8 million and €0.1 million, respectively (2024: €6.8 million and €0.1 million). The directors believe that its current cash balances will be sufficient to cover its operating costs in the next 12 months after the date of this report.

Market Demand

Global climate action initiatives, including corporate net zero commitments and stricter environmental regulations, have increased the demand for high quality carbon credits, particularly those verified under internationally recognised standards. While demand for carbon credits is anticipated to increase in response to international climate targets and regulatory requirements, pricing volatility and project development risks remain key challenges.

Prices of carbon credits are subject to fluctuations due to varying supply conditions, regulatory developments, and differences in project quality. Uncertainty surrounding future carbon pricing mechanisms remains a significant risk.

Financing activities

The net loss experienced during the financial period has been in line with the cashflow forecasts and is due to the complexity and time required to develop high-quality carbon offset projects. The Directors are confident that future financing arrangements will be secured if required.

After evaluating these factors, including forecast cash flows, potentials risks, and having considered the non-recourse nature of the Notes, the Directors have concluded that there is no material uncertainties that cast significant doubt on the company's ability to continue as a going concern for at least 12 months from the signing of the financial statements.

Directors Report for the Financial Year Ended 31 March 2025 (continued)

Political donations

The Company made no political donations nor incurred any political expenditure during the financial year (2024: nil).

Accounting records

The measures taken by the directors to ensure compliance with the requirements of section 281 to 285 of the Companies Act 2014 (the "Act") with regard to keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company accounting records are maintained at the Company's registered office at: 3rd Floor, Waterloo Exchange, Waterloo Road, Dublin 4, Ireland, D04 E5W7.

Directors of the company

The Directors, who held office at any time during the financial year, were as follows:

Fiachra O Ciardha

Sandra Mulvehill

Disclosure of information to the auditors

Each director has taken 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 Company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware. This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Act.

Appointment of Independent Auditors

In accordance with Section 383 (2) of the Companies Act 2014, Forvis Mazars, Chartered Accountants & Statutory Audit Firm, act as the independent auditor of the Company and have expressed their willingness to continue in office.

Subsequent events

There have been no significant events after the Statement of financial position date that need to be disclosed in these financial statements.

Approved by the Board on 10 October 2025 and signed on its behalf by:



.....
Fiachra O Ciardha
Director



.....
Sandra Mulvehill
Director

Directors' Responsibility Statement

The Directors acknowledge their responsibilities for preparing these financial statements in accordance with applicable law and regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Irish company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and the profit or loss of the Company for that financial year and otherwise comply with the Companies Act 2014.

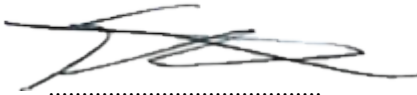
In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 102 has been followed, subject to any material departures disclosed and explained in the financial statements; 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 responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited.

They 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 the maintenance and integrity of the corporate and financial information included on the Company's website.

Approved by the Board on 10 October 2025 and signed on its behalf by:



.....
Fiachra O Ciardha
Director



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Sandra Mulvehill
Director

Independent auditor's report to the members of Vita Green Impact Programme Designated Activity Company

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Vita Green Impact Programme Designated Activity Company ('the Company'), for the year ended 31 March 2025, which comprise of Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes to the Company financial statements, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is Irish law and *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued in the United Kingdom by the Financial Reporting Council (FRS 102).

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2025, and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 102; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the directors' report has been prepared in accordance with applicable legal requirements;
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited; and
- the financial statements are in agreement with the accounting records.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management determines 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 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Tuohy
for and on behalf of Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2
Date: 13 October 2025

Statement of Comprehensive Income for the Financial Year Ended 31 March 2025

	Note	for the year ended 31 March 2025 €	for the period from 3 Feb to 31 Mar 2024 €
Interest and similar income	4	36,482	18,350
Interest and similar expense	5	(181,627)	(170,828)
		(145,145)	(152,478)
Administrative expenses	6	(567,136)	(2,622,902)
Foreign exchange gains/(losses)	7	3,784	(12,442)
Loss on ordinary activities before taxation		(708,497)	(2,787,822)
Tax credit	11	177,124	696,956
Loss on ordinary activities after taxation		(531,373)	(2,090,866)

The above results were derived from continuing operations.

Statement of Financial Position as at 31 March 2025

	Note	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Assets			
Non-current assets			
Intangible assets	12	1,191,705	-
Deferred tax assets	13	874,080	696,956
		2,065,785	696,956
Current assets			
Advances issued to suppliers	14	607,243	819,436
Other assets	15	61,676	93,863
Cash and cash equivalents	16	1,521,937	3,166,095
Total assets		4,256,641	4,776,350
Equity and liabilities			
Equity			
Called-up share capital presented as equity	20	1	1
Retained deficit		(2,622,239)	(2,090,866)
		(2,622,238)	(2,090,865)
Non-current liabilities			
Loans and borrowings measured at amortised cost	17	2,773,925	2,774,951
Loans and borrowings measured at fair value through profit or loss	18	3,980,000	3,980,000
		6,753,925	6,754,951
Current liabilities			
Accruals	19	116,941	104,749
Other current financial liabilities	19	8,013	7,515
		124,954	112,264
Total liabilities		6,878,879	6,867,215
Total equity and liabilities		4,256,641	4,776,350

Approved by the Board on 10 October 2025 and signed on its behalf by:



Fiachra O Ciardha
 Director



Sandra Mulvehill
 Director

The notes on pages 13 to 33 form an integral part of these financial statements.

Statement of Changes in Equity for the Financial Year Ended 31 March 2025

	Share capital €	Retained earnings €	Total €
Loss for the financial period	-	(2,090,866)	(2,090,866)
New share capital subscribed	1	-	1
At 31 March 2024	1	(2,090,866)	(2,090,865)
	Share capital €	Retained deficit €	Total €
At 1 April 2024	1	(2,090,866)	(2,090,865)
Loss for the financial year	-	(531,373)	(531,373)
At 31 March 2025	1	(2,622,239)	(2,622,238)

Statement of Cash Flows for the Financial Year Ended 31 March 2025

	Note	for the year ended 31 March 2025 €	for the period from 3 Feb to 31 Mar 2024 €
Cash flows from operating activities			
Loss for the year		(531,373)	(2,090,866)
Adjustments to cash flows from non-cash items			
Deferred income tax credit		(177,124)	(696,956)
Finance income	4	(36,482)	(18,350)
Finance costs	5	181,627	170,828
Foreign exchange gain on senior loan		(4,299)	-
		(567,651)	(2,635,344)
Working capital adjustments			
Decrease/(increase) in advances issued to suppliers	14	212,193	(819,436)
Decrease/(increase) in other assets	15	18,693	(80,369)
Increase in other liabilities	19	12,192	104,749
Net cash flow from operating activities		(324,573)	(3,430,400)
Cash flows from investing activities			
Acquisition of intangible assets	12	(1,191,705)	-
Interest received		49,976	4,856
Net cash flows from investing activities		(1,141,729)	4,856
Cash flows from financing activities			
Issuance of borrowings		-	10,209,951
Repayment of borrowings		-	(3,455,000)
Interest paid		(177,856)	(163,312)
Net cash flows from financing activities		(177,856)	6,591,639
Net (decrease)/increase in cash and cash equivalents		(1,644,158)	3,166,095
Cash and cash equivalents at 1 April		3,166,095	-
Cash and cash equivalents at 31 March	16	1,521,937	3,166,095

Notes to the Financial Statements for the Financial Year Ended 31 March 2025

1 General information

The Company is a Designated Activity Company, incorporated and domiciled in Ireland.

The address of its registered office is 3rd Floor, Waterloo Exchange, Waterloo Road, Dublin 4, Ireland.

The Company had been incorporated in order to participate in the financing of certain projects with the aim of providing rural households in the developing world with essential services such as energy (clean cooking) and water solutions as well as forestry solutions that mitigate climate change and address gender inequality using a community-led model (the "Projects"). It is expected that the Projects will generate carbon credits and that the Company will engage in the purchase and sale of these and other carbon credits. The carbon emission savings are accredited with the UN recognised standards agency, Gold Standard and sold on voluntary carbon markets.

The Company's projects are funded by senior, junior and mezzanine loan notes (the "Notes") and a bridge loan (the "Loan").

2 Accounting policies

Basis of preparation

The Company's financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), issued by the Financial Reporting Council in the UK and Irish statute comprising of Companies Act 2014. The Company is a limited company incorporated and domiciled under the laws of Ireland.

These financial statements are presented in Euro ("€"), which is the Company's functional and reporting currency being the currency of the Company's primary economic environment.

Going concern

Feasibility of the Company's Business to earn from Carbon Credits

The Company operates in the carbon credit industry, which is subject to evolving regulations, market conditions and technological advancements aimed at reducing carbon emissions. The market is heavily influenced by international agreements such as the Paris agreements, voluntary carbon markets and compliance driven carbon trading schemes (e.g. The EU Emissions Trading System).

The project is expected to generate carbon credits for a period of at least 7 years. The sale of the generated carbon credits will provide cash inflows and profitability for the Company that will be sufficient to sustain and continue its operations on a foreseeable future.

As at year-end, the Company has been arranging for the receipt and sale of carbon credits. In addition, it has scheduled projects to be delivered in subsequent years which includes the stoves and water points to be repaired. These will also generate more carbon credits for the Company that is approximately be sold at €18.3m.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

2 Accounting policies (continued)

The Company has assessed its ability to continue as a going concern, taking into account the following factors:

Financial Performance

The Company experienced a net loss of €0.7 million during the financial year (2024: €2.8 million) with a net deficit of €2.6 million as at 31 March 2025 (€2.1 million as at 31 March 2024). The Company has cash reserves and advances to suppliers of €1.5 million and €0.6 million, respectively at this date (2024: €3.2 million and €0.8 million) with loans and borrowings and current liabilities of €6.8 million and €0.1 million, respectively (2024: €6.8 million and €0.1 million). The directors believe that its current cash balances will be sufficient to cover its operating costs in the next 12 months after the date of this report.

Market Demand

Global climate action initiatives, including corporate net zero commitments and stricter environmental regulations, have increased the demand for high quality carbon credits, particularly those verified under internationally recognised standards.

While demand for carbon credits is anticipated to increase in response to international climate targets and regulatory requirements, pricing volatility and project development risks remain key challenges.

Prices of carbon credits are subject to fluctuations due to varying supply conditions, regulatory developments, and differences in project quality. Uncertainty surrounding future carbon pricing mechanisms remains a significant risk.

Financing activities

The net loss experienced during the financial period has been in line with the cashflow forecasts and is due to the complexity and time required to develop high-quality carbon offset projects. The Directors are confident that future financing arrangements will be secured if required.

After evaluating these factors, including forecast cash flows, potential risks, and having considered the non-recourse nature of the Notes, the Directors have concluded that there is no material uncertainty that casts significant doubt on the company's ability to continue as a going concern from at least 12 months from the signing of the financial statements.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

3 Summary of significant accounting policies (continued)

Intangible assets

The Company is engaged in a project to generate carbon credits through activities certified by Gold Standard. Costs directly attributable to the development of the carbon credit project are capitalised as intangible assets when the criteria under FRS 102 section 18 Intangible Assets other than goodwill are met. These include expenditures incurred on the project such as the stoves or expense incurred in repairing the water points, environmental assessments, project design, and registration costs incurred during the development phase.

Capitalisation commences when:

- It is probable that the project will generate future economic benefits through generation of carbon credits;
- The costs or value of the assets can be reliably measured.

Intangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated amortisation and impairment losses. Capitalised project costs are amortised over the estimated useful life of the project being 7 years on a straight line basis, beginning when the project is operational and capable of generating certified carbon credits.

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Inventory - Carbon Credit Stock

Carbon credits are recognised as inventory under FRS 102 section 13 Inventories once actual certificates are obtained from Gold Standard and ready for selling to the prospect customers. The inventory is measured at cost, which includes directly attributable costs incurred in generating the carbon credits, or net realisable value, whichever is lower.

The cost of inventory is the amortised amount of intangible asset costs that directly relate to the certified carbon credits. Carbon credits are classified as finished goods held for sale in the ordinary course of business.

Carbon credit stock is held for sale in the ordinary course of business. Upon sale, the carrying amount of the inventory is recognised as the cost of sale in the period in which the related revenue is recognised.

Revenue Recognition - Sale of Carbon Credits

Revenue from the sale of carbon credits is recognised in accordance with FRS102 section 23 Revenue from Contracts with Customers. Revenue is recognised when control of the carbon credits is transferred to the customer, typically upon delivery and certification transfer, and when the performance obligations under the contract are satisfied.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

3 Summary of significant accounting policies (continued)

Non-derivative financial instruments

Recognition and measurement

The Company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and notes issued.

Debt instruments (other than those wholly repayable or receivable within one year), including notes and account receivables and payables, are initially measured at the transaction price (adjusted for transaction cost) 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. Included in this category are the Senior loan notes.

The Company's debt instruments which do not meet the criteria for amortised cost are measured at fair value through profit or loss. Gain or loss on a financial instrument that is measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the Statement of Comprehensive Income. Included in this category are the Junior loan notes and mezzanine loan notes.

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 such evidence is identified, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between carrying amount and the present value of estimated cash flows discounted at the original effective interest rate. If the financial instrument has a variable interest rate the currently effective rate under the contract is used.

Derecognition

A financial asset is derecognised only when:

- the contractual rights to the cash flows from the financial asset expire or are settled; or
- substantially all of the risks and rewards of ownership of the financial asset have been transferred to another party; or
- when despite having retained some, but not substantially all, risks and rewards of ownership, control of the asset has been transferred to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the Company derecognises the asset and recognises separately any rights and obligations retained or created in the transfer.

A financial liability is derecognised when the contract that gives rise to it is settled, sold, cancelled, or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as an exchange or modification, this is treated as a derecognition of the original liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

**Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)**

3 Summary of significant accounting policies (continued)

Advances issued to suppliers

An advance is a payment made in contemplation of the future receipt of goods or services. These amounts are recorded as assets until the contract terms are met or goods or services received. Advances issued to suppliers are recorded at cost and are not depreciated. Borrowing costs associated with advances issued to suppliers are capitalized as incurred. The advances are made to Vita (the "Programme Manager") an Irish based international development agency working with poor rural communities in Africa who will implement the Projects. As and when the Programme Manager uses these funds to implement the Projects, the advances will be released to the Statement of Comprehensive Income.

Other assets

Other assets include the amount due from the shareholder on share capital issued, interest receivable on bank deposits. Other assets are measured at amortised cost.

Loans and borrowings at amortised cost

Loans and borrowings are initially recorded at the amount of proceeds received, net of debt issuance costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in Interest and similar expense.

Loans and borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Loans and borrowings at fair value

The loans and borrowings at fair value are limited recourse obligations of the Company and are payable only to the extent of the amounts recovered from the underlying assets. The receipts from the future sales of carbon credits will be used to make payments of interest and principal on the loans and borrowings. For loans and borrowings measured at fair value through profit or loss any additional gains/losses are passed on to the lenders.

The Company includes the future profitability and cashflows from the carbon credits as one the assumption in performing the valuation of the loans and borrowings at FVTPL.

Interest and similar expense

Interest and similar expense include interest payable on the Notes and the Loan that are recognised in the Statement of profit and loss and other comprehensive income. Borrowing costs that are directly attributable to the transaction, are capitalised and amortised over the term of the debt using the effective interest rate method.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

3 Summary of significant accounting policies (continued)

Interest and similar income

Interest income for all interest-bearing financial instruments is recognised in “interest income” in the Statement of profit and loss and other comprehensive income using the effective interest rate method. The effective interest rate discounts any estimated future payment or proceeds throughout the life of a financial instrument or until the next date of interest reset, in order for the present value of all future cash flows to be equal to the carrying amount of the financial instrument, including any fees or transaction costs incurred. Fees and direct costs relating to financial instruments measured at amortised cost are deferred and amortised to interest income over the life of the instrument using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances held for the purpose of meeting short term cash commitments and investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Where investments are categorised as cash equivalents, the related balance has a maturity of three months or less from the date of acquisition. Cash is carried at amortised cost.

Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at the exchange rate at the reporting date. Foreign exchange gains and losses resulting from the translation to the exchange rate at the reporting date or resulting from the settlement of such transactions are recognised in the Statement of profit and loss and other comprehensive income.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

3 Summary of significant accounting policies (continued)

3.1 Significant accounting estimates and judgements

The preparation of financial statements in conformity with FRS102, requires management to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, 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 result which forms the basis of making judgements about carrying value of assets and liabilities 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 only affects that year or in the year the revision and future years if the revision affects both current and future year.

The key accounting judgements involved in the Company's accounting policy that have the most significant impact on amounts in the financial statements are:

Recognition of intangible asset or expensing of project implementation costs

In order to obtain carbon credits which the Company will sell at a future date, the Company has incurred costs in building the assets that will generate the carbon credits and establishing the infrastructure that will enable the assets to be delivered to the end users. Deciding whether to capitalise these costs in the form of an intangible asset or expense them requires significant judgement by the Directors.

An intangible asset shall be recognised if, and only if:

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- (b) the cost of the asset can be measured reliably.

The Directors have reviewed and examined the above characteristics of the transaction and entity as a whole and concluded they satisfy all of the criteria of FRS 102 section 18.8. To that extent, the Company can classify the amounts spent to fund the projects as intangible assets and due to the expected net present value of the future carbon credit sales, are comfortable that these assets are not impaired.

Determination of fair value of loans and borrowings

The Company has issued junior and mezzanine loan notes to help finance the project. These notes are limited recourse obligations of the Company and are payable only to the extent of the amounts recovered from the underlying assets. The receipts from the future sales of carbon credits will be used to make payments of interest and principal on the loans and borrowings. For loans and borrowings measured at fair value through profit or loss any additional gains/losses are passed on to the lenders.

The Company has chosen not to present these additional gains/losses as movement on revaluation of loans and borrowings but has opted to record this movement in the retained deficit as the Company is confident of selling the carbon credits it has the rights to. The Company at present anticipates that it will generate approximately €18.3m in carbon credit sales. This will be sufficient to repay the junior and mezzanine notes in full and so the Company has determined that the nominal value is the fair value of the loans and borrowings measured at fair value through profit or loss.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

3 Summary of significant accounting policies (continued)

3.1 Significant accounting estimates and judgements (continued)

Recoverability of deferred tax assets

The Company's accounting policy is to recognise deferred tax assets to the extent that they are recoverable in future periods. Deferred tax asset is recognised during the financial period, as the deferred tax asset is expected to utilise either from the profit in the future periods or from the allocation of the loss to junior noteholders.

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 only affects that year or in the year the revision and future years if the revision affects both current and future year.

4 Interest and similar income

The analysis of the Company's interest and similar Income for the financial year is as follows:

	for the year ended 31 March 2025 €	for the period from 3 Feb to 31 Mar 2024 €
Interest income	36,482	18,350
	36,482	18,350

5 Interest and similar expense

	for the year ended 31 March 2025 €	for the period from 3 Feb to 31 Mar 2024 €
Senior note interest	181,627	153,553
Bridge loan interest	-	17,275
	181,627	170,828

**Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)**

6 Administrative expenses

	for the year ended 31 March 2025 €	for the period from 3 Feb to 31 Mar 2024 €
Professional fees	40,775	121,978
Audit fee	17,835	41,205
Tax compliance fee	4,270	3,629
Legal fees	-	123,000
Management fee	393,445	327,157
Bank fees	394	54
Rating agency fees	110,417	76,000
Company set up fees	-	197,879
Project implementation costs	-	1,732,000
	567,136	2,622,902

In order to establish the projects that will generate these carbon credits, the Company has incurred project implementation costs in building the assets that will generate the carbon credits and establishing the infrastructure that will enable the assets to be delivered to the end users.

7 Foreign exchange gains/(losses)

The analysis of the Company's Foreign exchange gains/(losses) for the financial year is as follows:

	for the year ended 31 March 2025 €	for the period from 3 Feb to 31 Mar 2024 €
Foreign exchange gains/(losses)	3,784	(12,442)
	3,784	(12,442)

8 Directors' remuneration

The directors did not receive any remuneration during the financial period.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

9 Auditors' remuneration

Information required by Section 322(1) of the Companies Act 2014 is as follows:

	for the year ended 31 March 2025 €	for the period from 3 Feb to 31 Mar 2024 €
Audit of the financial statements	24,000	41,205
Taxation compliance services	3,200	3,629
	27,200	44,834

10 Employees and remuneration

The Company had no employees during the financial year. The Company has outsourced the management function to FinanCarbon Impact Limited. A fee of €393,445 was incurred during the financial year in respect of management services received (2024: €327,157).

11 Tax

Tax in the Statement of comprehensive income consist of:

	for the year ended 31 March 2025 €	for the period from 3 Feb to 31 Mar 2024 €
Current income tax		
Current tax	-	-
Deferred tax	177,124	696,956
Tax credit in the statement of comprehensive income	177,124	696,956

The tax assessed for the financial year is higher than the standard rate of corporation tax in the Republic of Ireland of 12.5% (2024: higher).

The Company is a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act (the "TCA") 1997. As such, the profits of the Company are chargeable to corporation tax under Case III Schedule D of the TCA at the rate of 25% but are computed in accordance with the provisions applicable to Case I Schedule D of the TCA.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

11 Tax (continued)

The difference between current corporation tax charge based on the standard income tax rate in Ireland and the Company's effective tax rate is shown below:

	for the year ended 31 March 2025 €	for the period from 3 Feb to 31 Mar 2024 €
Loss before tax	(708,497)	(2,787,822)
Loss before taxation multiplied by the standard rate of Irish corporation tax for the period at 12.5%	(88,562)	(348,478)
Effect of higher tax rate applicable under Section 110 TCS 1997	(88,562)	(348,478)
Total current tax credit	177,124	696,956

12 Intangible assets

	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Opening balance	-	-
Additions	1,191,705	-
Amortisation	-	-
Impairment	-	-
	1,191,705	-

The Company is engaged in a project to generate carbon credits through activities certified by Gold Standard. Costs directly attributable to the development of the carbon credit project are capitalised as intangible assets when the criteria under FRS 102 section 18 Intangible Assets other than goodwill are met. These include expenditures incurred on the project such as the stoves or expense incurred in repairing the water points, environmental assessments, project design, and registration costs incurred during the development phase.

Capitalisation commences when:

- It is probable that the project will generate future economic benefits through generation of carbon credits;
- The costs or value of the assets can be reliably measured.

Intangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated amortisation and impairment losses. Capitalised project costs are amortised over the estimated useful life of the project being 7 years on a straight line basis, beginning when the project is operational and capable of generating certified carbon credits.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

13 Deferred tax assets

	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Deferred tax assets	874,080	696,956
	874,080	696,956

14 Advances issued to suppliers

	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Advances issued to suppliers	607,243	819,436
	607,243	819,436

An advance is a payment made in contemplation of the future receipt of goods or services. These amounts are recorded as assets until the contract terms are met or goods or services received. Advances issued to suppliers are recorded at cost and are not depreciated. Borrowing costs associated with advances issued to suppliers are capitalized as incurred. The advances are made to Vita (the "Programme Manager") an Irish based international development agency working with poor rural communities in Africa who will implement the Projects. As and when the Programme Manager uses these funds to implement the Projects, the advances will be released to the Statement of Comprehensive Income.

15 Other assets

	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Accrued interest	-	13,494
Prepayments	61,675	80,368
Other debtors	1	1
	61,676	93,863

All amounts falling due within one year, are unsecured and interest free.

Prepayments relate to operating cost of administration of the Company, not the payment to the Programme Manager for future start-up costs that will be incurred during 2025.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

16 Cash and cash equivalents

	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Cash held at Allied Irish Bank	1,521,937	3,166,095
	1,521,937	3,166,095

The carrying amount of the accounts above equates their fair value.

17 Loans and borrowings measured at amortised cost

	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Senior loan notes	(2,773,925)	(2,774,951)
	(2,773,925)	(2,774,951)

Senior loan notes were issued on 4 March 2023 and are due on 15 March 2028. The interest on Senior Notes is fixed at 6.5%. There were no principal repayments of the notes during the financial year (2024: €Nil) and the interest for the financial year amounted to €181,627 (2024: €153,553).

18 Loans and borrowings measured at fair value through profit or loss

	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Junior loan notes	(1,000,000)	(1,000,000)
Mezzanine loan notes	(2,980,000)	(2,980,000)
Movement on revaluation of loans and borrowings	-	-
	(3,980,000)	(3,980,000)

The Company at present anticipates that it will generate approximately €18.3m in carbon credit sales. This will be sufficient to repay the junior and mezzanine notes in full and so the Company has determined that the nominal value is the fair value of the loans and borrowings measured at fair value through profit or loss.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

18 Loans and borrowings measured at fair value through profit or loss (continued)

The Mezzanine Notes were issued on 23 May 2023 and do not have a fixed maturity date. The Mezzanine Notes may be redeemed at any time, provided that the initial Senior Notes have been redeemed in full and the fund manager is satisfied that following their redemption and payment of all accrued interest due thereon, the Company will have sufficient funds to finance its activities and debt obligations. The Mezzanine Notes are subordinated in nature to the Senior Notes.

The Mezzanine Notes begin accruing interest from 23 May 2023. Interest on the Mezzanine Notes shall be calculated as an amount equal to all income, profits, gains, senior interest, expenses and losses of the issuer. The interest shall be subject to a cap such that the internal rate of return on the Mezzanine Notes shall not exceed 12% in financial year.

The Junior Notes were issued on 23 May 2023 and do not have a fixed maturity date. The Junior Notes may be redeemed at any time with the consent of each Junior Noteholder provided that no redemption of the Junior Notes may occur while any of the Senior Notes, or the Mezzanine Notes remain outstanding. The Junior Notes are subordinated in nature to the Senior Notes and the Mezzanine Notes.

The Junior Notes begin accruing interest from 23 May 2023. Interest on the Junior Notes shall be calculated as an amount equal to all income, profits, gains, senior interest, mezzanine interest, expenses and losses of the issuer less an issuer profit amount of €1,000.

19 Current liabilities

	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Accruals	(116,941)	(104,749)
Senior loan interest payable	(8,013)	(7,515)
	(124,954)	(112,264)

The carrying amount of the accounts above equates their fair value.

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

20 Called-up share capital presented as equity

Authorised shares

	as at 31 Mar 2025		as at 31 Mar 2024	
	No.	€	No.	€
100 ordinary share of €1 each	100	100	100	100

Issued shares

	as at 31 Mar 2025		as at 31 Mar 2024	
	No.	€	No.	€
1 ordinary share of €1 each	1	1	1	1

The Company's share capital is held in trust by Cafico Trust Company Limited for charitable purposes under a declaration of trust.

21 Financial risk review

The Company has the following financial instruments:

	as at 31 Mar 2025 €	as at 31 Mar 2024 €
Financial assets that are debt instruments measured at amortised cost		
Cash and cash equivalents	1,521,937	3,166,095
Other assets	-	13,494
	1,521,937	3,179,589
Financial liabilities measured at amortised cost		
Loans and borrowings	2,773,925	2,774,951
Other current financial liabilities	8,013	7,515
	2,781,938	2,782,466

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

21 Financial risk review (continued)

	as at	as at
	31 Mar	31 Mar
	2025	2024
	€	€
Financial liabilities measured at fair value through profit or loss		
Loans and borrowings	3,980,000	3,980,000
	3,980,000	3,980,000

The Company is exposed to various financial risks from the use of financial instruments. The Company established risk management policies to identify and analyse the risks it faces, and monitor these risks.

The Company is exposed to credit risk; market risk; foreign exchange risk and liquidity risk from the use of financial instruments. The Company's exposure and risk mitigation policies are described in this note.

This note presents information about the Company's exposure to financial risks and the Company's management of capital.

Credit risk

Credit risk is the risk of the financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's financial assets.

The Company's financial assets are cash and cash equivalents and accrued interest, which represent the Company's maximum exposure to credit risk in relation to financial assets.

The counterparty to the financial assets is the Allied Irish Banks, p.l.c. The Company monitors the financial condition and credit ratings of the bank. Allied Irish Banks, p.l.c. holds an A1 long-term deposit rating by Moody's (2024: A1 long-term deposit rating) and an A long-term rating by Standard & Poor's (2024: A long-term rating). Based on the ratings and on historical experience, the Directors believe that the credit risk of the cash and cash equivalents is minimal.

**Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)**

21 Financial risk review (continued)

Market risk

Market risk is the risk that changes in market factors, such as commodity prices, interest rates, foreign exchange rates, or other financial variables, will negatively impact the Company's financial performance or the value of its assets and liabilities.

The Company's exposure to market risks includes risks related to the price volatility of carbon credits, which are influenced by changes and developments in regulatory environments, market supply and demand dynamics, the availability of credits within trading schemes and international climate policies. Effective management of these risks is essential to maintaining financial stability and achieving environmental compliance objectives.

Certification risk:

Certification risks in carbon credits refer to the potential that a credit doesn't represent a genuine reduction or removal of greenhouse gases, leading to issues like fraud, overcrediting, non-permanence, and double-counting. This presents a risk to the Company that the carbon credits it receives may not have an active market in which to sell.

To mitigate against this risk, the Company employs the services of an external carbon management agency to ensure that project implemented results in the award of high quality carbon credits. This third party also monitors the amount of stoves delivered and the level of carbon savings allowing the Company to project the number of credits it will receive.

Price Volatility Risk:

The market value of carbon credits is subject to significant variability due to factors such as the type of project, certification standards, and changing market conditions. As projects advance and generate certified credits, their value may fluctuate based on demand, buyer preferences, and developments in climate-related policies. This price volatility poses a risk to project developers and sellers, as it can impact revenue forecasting and long-term financial planning.

Regulatory Risk:

Changes in government policies and regulatory changes, such as amendments to cap and trade programs or the introduction of new emissions reduction requirements, can effect the value and tradeability of carbon credits and may cause significant price fluctuations. Market demand for carbon credits may be driven by corporate sustainability strategies and evolving investor expectations regarding climate risks.

The Company's risk management objective is to manage and control the market risk to within an acceptable range.

Foreign exchange risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Except for the Senior Loan Notes and a USD bank account, which are denominated in foreign currency (USD), all financial assets and liabilities are denominated in Euro, the Company's functional currency. The Company made a gain on foreign currency conversion of €3,784 (2024: loss of €12,442) during the financial year.

**Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)**

21 Financial risk review (continued)

	as at 31 Mar 2025	as at 31 Mar 2024
Financial instruments denominated in EUR		
Mezzanine loan notes	(2,980,000)	(2,980,000)
Junior loan notes	(1,000,000)	(1,000,000)
Other current financial liabilities	(8,013)	(7,515)
Cash and cash equivalents	1,521,921	3,166,095
Other assets	-	13,494
	(2,466,092)	(807,926)
Financial instruments denominated in USD		
Senior Notes	(2,773,925)	(2,774,951)
Cash and cash equivalents	16	-
	(2,773,909)	(2,774,951)

An adverse movement of 5% in the Euro to US Dollar exchange rate at the end of the financial period would have resulted in an additional foreign exchange loss of €138,695 (2024: €138,748).

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities as they fall due. To manage the liquidity risk, the Company may engage in additional financing to fund its obligations, until it is in a position to realise income on the carbon credits earned. The future cash flows of the Company's financial liabilities on an undiscounted basis as at the financial year end dates are as follows:

31 March 2025	Within 1 year	Between 1-2 years	Between 2-5 years	More than 5 years
	€	€	€	€
Liabilities				
Senior notes	-	1,386,963	1,386,963	-
Mezzanine loan notes	-	-	-	2,980,000
Junior loan notes	-	-	-	1,000,000
Other current financial liabilities	8,013	-	-	-
	8,013	1,386,963	1,386,963	3,980,000

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

21 Financial risk review (continued)

31 March 2024	Within 1 year	Between 1-2	Between 2-5	More than 5
	€	years	years	years
Liabilities		€	€	€
Senior notes	-	-	1,387,476	1,387,476
Mezzanine loan notes	-	-	-	2,980,000
Junior loan notes	-	-	-	1,000,000
Other current financial liabilities	7,515	-	-	-
	7,515	-	1,387,476	5,367,476

22 Fair value measurement

	Fair value hierarchy	as at 31 Mar 2025	as at 31 Mar 2025
		€	€
		Carrying amount	Fair value
Mezzanine loan notes	3	2,980,000	2,980,000
Junior loan notes	3	1,000,000	1,000,000
		3,980,000	3,980,000

	Fair value hierarchy	as at 31 Mar 2024	as at 31 Mar 2024
		€	€
		Carrying amount	Fair value
Mezzanine loan notes	3	2,980,000	2,980,000
Junior loan notes	3	1,000,000	1,000,000
		3,980,000	3,980,000

Notes to the Financial Statements for the Financial Year Ended 31 March 2025 (continued)

22 Fair value measurement (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Valuation approach for specific instruments

Notes issued

Mezzanine and Junior loan notes are carried at fair value through profit or loss. The Company at present anticipates that it will generate a carbon credit sales of €2.8m once the certificates are issued and include this on the valuation assumption of the loans. As at year-end, it was assessed that the nominal value of the loans approximates its fair value in accordance with the valuation policy of the Company.

23 Commitments and contingent liabilities

The Company had no contingent liabilities or capital commitments at the financial period end.

24 Related party transactions

The Company's share capital is held in trust by Cafico Trust Company Limited for charitable purposes under a declaration of trust. During the financial year ended 31 March 2025, the Company incurred fees relating to corporate administration services provided by Cafico Corporate Services Limited. These services are provided under the normal commercial terms.

FinanCarbon Impact Limited acts as the Company's investment and operations manager in respect of implementation of the Projects. These services are provided under the normal commercial terms. The management fees during the financial year amounted to €393,445 (2024: €327,157).

Notes to the Financial Statements for the Financial Year Ended 31 March 2025
(continued)

25 Subsequent events

There have been no significant events after the Statement of financial position date that need to be disclosed in these financial statements.

26 Approval of the financial statements

The Directors approved these financial statements on the date indicated in the Directors' Report.