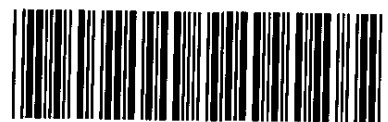


REGISTERED NUMBER: 08049050 (England and Wales)

**Hellums Field Solar Park Limited**  
**Directors' Report and**  
**Financial Statements for the Year Ended 31 December 2017**

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**Hellums Field Solar Park Limited (Registered number: 08049050)**

**Contents of the Financial Statements  
for the Year Ended 31 December 2017**

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**Hellums Field Solar Park Limited**

**Company Information  
for the Year Ended 31 December 2017**

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**DIRECTORS:**

J M Alfonso  
J M Thesiger

**REGISTERED OFFICE:**

2nd Floor  
13 Berkeley Street  
London  
W1J 8DU

**REGISTERED NUMBER:**

08049050 (England and Wales)

Hellums Field Solar Park Limited (Registered number: 08049050)

**Directors' Report  
for the Year Ended 31 December 2017**

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The directors present their report with the financial statements of the Company for the year ended 31 December 2017.

**PRINCIPAL ACTIVITY**

Hellums Field Solar Park Limited's principal activity is the development of solutions to mitigate climate change.

**Results and dividends**

The loss for the year was £46,373 (2016: loss of £61,573) Dividends of £nil (2016: £nil) were paid during the year.

**EVENTS SINCE THE END OF THE YEAR**

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

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

J M Alfonso  
J M Thesiger

**GOING CONCERN**

The directors believe that the Company is well placed to manage its business risks successfully. Having reviewed the Company's current position and cash flow projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

  
.....  
J M Alfonso - Director

Date: 25 June 2018

**Statement of Directors' Responsibilities  
for the Year Ended 31 December 2017**

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The directors are responsible for preparing the 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 these financial statements, the directors are required to:

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

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

**Hellums Field Solar Park Limited (Registered number: 08049050)**

**Income Statement  
for the Year Ended 31 December 2017**

	Notes	2017 £	2016 £
<b>TURNOVER</b>		601,933	572,641
Administrative expenses		<u>(314,369)</u>	<u>(314,985)</u>
		287,564	257,656
Other operating income	5	<u>-</u>	<u>11</u>
<b>OPERATING PROFIT</b>		287,564	257,667
Interest receivable and similar income	6	261	399
Interest payable and similar expenses	7	<u>(298,723)</u>	<u>(313,927)</u>
<b>LOSS BEFORE TAXATION</b>	8	(10,898)	(55,861)
Tax on loss	9	<u>(35,475)</u>	<u>(5,712)</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><u>(46,373)</u></u>	<u><u>(61,573)</u></u>

The notes form part of these financial statements

**Hellums Field Solar Park Limited (Registered number: 08049050)**

**Other Comprehensive Income  
for the Year Ended 31 December 2017**

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	Notes	2017 £	2016 £
LOSS FOR THE YEAR		(46,373)	(61,573)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(46,373)</u>	<u>(61,573)</u>

The notes form part of these financial statements

**Hellums Field Solar Park Limited (Registered number: 08049050)**

**Balance Sheet  
As at 31 December 2017**

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	10	3,929,296	4,136,057
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	11	143,875	96,916
Debtors: amounts falling due after more than one year	11	8,404	43,879
Cash at bank		<u>99,887</u>	<u>105,104</u>
		252,166	245,899
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>(4,164,664)</u>	<u>(4,327,273)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(3,912,498)</u>	<u>(4,081,374)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		16,798	54,683
<b>PROVISIONS FOR LIABILITIES</b>	15	<u>(423,496)</u>	<u>(415,008)</u>
<b>NET LIABILITIES</b>		<u>(406,698)</u>	<u>(360,325)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	1	1
Retained earnings		<u>(406,699)</u>	<u>(360,326)</u>
		<u>(406,698)</u>	<u>(360,325)</u>

The Company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 December 2017.

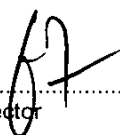
The members have not required the Company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 25 June 2018 and were signed on its behalf by:

  
.....  
J M Alfonso - Director

The notes form part of these financial statements



**Hellums Field Solar Park Limited (Registered number: 08049050)**

**Statement of Changes in Equity  
for the Year Ended 31 December 2017**

---

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2016</b>	1	(298,753)	(298,752)
<b>Changes in equity</b>			
Total comprehensive loss	<u>-</u>	<u>(61,573)</u>	<u>(61,573)</u>
<b>Balance at 31 December 2016</b>	<u>1</u>	<u>(360,326)</u>	<u>(360,325)</u>
<b>Changes in equity</b>			
Total comprehensive loss	<u>-</u>	<u>(46,373)</u>	<u>(46,373)</u>
<b>Balance at 31 December 2017</b>	<u><u>1</u></u>	<u><u>(406,699)</u></u>	<u><u>(406,698)</u></u>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31 December 2017**

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**1. GENERAL INFORMATION**

Hellums Field Solar Park Limited is a private limited company incorporated and domiciled in England and Wales. The address of the company's registered office is 2nd Floor, 13 Berkeley Street, London, W1J 8DU.

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

**2. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The financial statements are presented in Sterling, and are rounded to the nearest pound except where otherwise indicated.

The company has transitioned from EU-adopted IFRS to FRS 101 for all periods presented. There were no material amendments on the adoption of FRS 101.

**Going concern**

The directors believe that the Company is well placed to manage its business risks successfully. Having reviewed the Company's current position and cash flow projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

**Segmental reporting**

For management purposes, the Company is organised into one operating segment which provides only one service, being finding solutions to mitigate climate change through the construction and operation of solar parks. Accordingly, all operating disclosures are based upon analysis of the company as one segment. Geographically, the company operates solely in the United Kingdom.

**Current versus non-current classification**

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017**

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**Current versus non-current classification continued**

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or  
There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

**Fair value measurement**

The Company measures financial instruments and non-financial assets at fair value at each balance sheet date. 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 of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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, or
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as shown above.

**FRS 101 reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1; and
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

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2. ACCOUNTING POLICIES - continued

**Revenue recognition**

Revenue represents income from the generation of energy from operational solar parks during the period. Any uninvoiced income is accrued in the period in which it has been generated.

Revenue is stated net of value added tax and is generated entirely within the United Kingdom.

**Tangible fixed assets**

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

Items of property, plant and equipment are depreciated to their estimated residual values on a straight line basis over their expected useful lives as follows:

Solar PV assets - over 25 years

Inverters - over 15 years

Other assets - over 4 years

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

**Financial instruments**

Financial instruments recognised on the balance sheet include trade and other receivables, cash and cash equivalents, accounts payable and other financial liabilities.

Initial recognition and measurement:

Financial assets and financial liabilities are recognised on the balance sheet when the Company becomes party to the contractual provisions of the instrument. Financial instruments are initially recorded at fair value plus, in the case of a financial asset or financial liability not at fair value through profit and loss, directly attributable transaction costs. Subsequent measurement and impairment for each classification is specified in the sections below.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Company commits to purchase or sell the financial asset.

De-recognition of financial assets and liabilities:

A financial asset, or a portion of a financial asset, is derecognised where:

- The rights to receive cash flows from the asset have expired;  
The company retains the right to receive cash flows from the asset, but has assumed an obligation to
- pay them in full without material delay to a third party under a "pass-through" arrangement, or
- The company has transferred the rights to receive cash flows from the asset and either:
  - (i) has transferred substantially all the risks and rewards of the assets or
  - (ii) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or has expired.

Trade and other receivables:

Subsequent to initial measurement, trade and other receivables are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in income when the receivables are derecognised or impaired, as well as through the amortisation process.

Trade and other receivables reflected on the balance sheet are net of an allowance for uncollectible amounts.

**2. ACCOUNTING POLICIES - continued**  
**Financial instruments continued**

Financial liabilities:

Loans and accounts payables are classified as financial liabilities and are subsequently measured at amortised cost. Gains and losses are recognised in income when the financial liabilities are derecognised or impaired as well as through the amortisation process.

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 company after deducting all of its liabilities. Any instrument that includes a repayment obligation is classified as a liability.

Where the contractual liabilities of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classified as financial liabilities, and are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the statement of profit or loss. 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 features meeting the definition of a financial liability then such capital is classified as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**Impairment of financial assets**

The Company's financial assets are reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether or not there is any indication of impairment.

Assets carried at amortised cost:

If there is objective evidence that an impairment loss has been incurred, it is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The loss is recognised in the statement of profit and loss.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the statement of profit or loss, to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date.

**Cash and cash equivalents**

Cash and cash equivalents include cash at bank and in hand.

**Equity**

Equity comprises the following

- "Share capital" represents the nominal value of ordinary equity shares.
- "Retained earnings" include all current results as disclosed in the statement of profit and loss.

**Leases**

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

Rentals payable under operating leases are based on the level of income received during the period and are charged to the statement of profit and loss on an accruals basis.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

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2. **ACCOUNTING POLICIES - continued**

**Taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

**Current tax**

Current taxes are based on the results shown in the financial statements and are calculated using tax rates enacted or substantially enacted by the year end date.

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes.

**Deferred tax**

Deferred taxation is recognised in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date. Full provision is made without discounting for all deferred tax liabilities. Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered against taxable profits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**Foreign currencies**

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

**Decommissioning provision**

Liabilities for decommissioning costs are recognised when the Company has an obligation to dismantle and remove the Solar PV equipment and to restore the land on which it is located. Liabilities may arise upon construction of such facilities, upon acquisition or through a subsequent change in legislation or regulations. The amount recognised is the estimated present value of expenditure determined in accordance with local conditions and requirements. A corresponding tangible item of property, plant and equipment equivalent to the provision is also created.

Any changes in the present value of the estimated expenditure is added to or deducted from the cost of the assets to which it relates. The adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. The unwinding of the discount on the decommissioning provision is included as a finance cost.

**Impairment of non-financial assets**

Impairment of non-financial assets is reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

If the recoverable amount of the asset is estimated to be less than the carrying amount, the carrying amount of the asset or cash-generating unit is reduced to the recoverable amount. The impairment is recognised in the statement of profit or loss as an expense. Recoverable amounts are estimated for individual assets or, where an individual asset cannot generate cash flows independently, the recoverable amount is determined for the larger cash-generating unit to which the asset belongs.

A previously recognised impairment will be reversed insofar as estimates change as a result of an event occurring after the impairment was recognised. An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the statement of profit and loss.

After recognition of an impairment loss, the depreciation or amortisation charge for the asset is adjusted in the future periods to allocate the asset's revised carrying amount, less its residual value, on a systematic basis over its useful life.

2. **ACCOUNTING POLICIES - continued**

**Financial risk management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are summarised below.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

**Interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At 31 December 2017, all of the Company's borrowings are at a fixed rate of interest and therefore the Company is not exposed to interest rate risk.

**Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

**Trade receivables:**

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Refer to note 11 for a summary of trade receivables.

**Financial instruments and cash deposits:**

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy following the requirement under the project finance agreement.

The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2017 and 2016 is the carrying amounts.

**Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's policy to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of intergroup facilities and by ensuring adequate internally generated funds.

Refer to note 13 for a table summarising the maturity of the Company's financial liabilities.

Trade and other payables in most circumstances are due within 3 months from the date of invoice.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

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

- Decommissioning provision

The Company has recognised a provision for decommissioning obligations associated with its solar park. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs.

- Revenue relating to the accrued income for ROCS

The number of Renewable Obligation Certificates ("ROC's") are calculated each month based on the net number of mega-watts of power exported. The ROC price is fixed for each Compliance Period ("CP") which runs from 1 April to 31 March and is published in advance by Ofgem. The ROC recycle price is subject to market forces and is not published by Ofgem until September following the accounting year end. Management have adopted the policy of recognising ROC Recycle revenue once on an annual basis, at a time when the price can be reliably estimated (typically when there is public information on the key drivers of the price, including ROCs supplied and energy demand). For the year ended 31 December 2017, no ROC recycle revenue has been accrued in respect of ROC's generated for CP16 (1 April 2017 to 31 December 2017) as management has determined that this cannot be reliably measured given that the ROC recycle price is published post September the year after. This revenue (if any) will be recognised in the following accounting year when the price is confirmed.

- Deferred taxes

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

4. REVENUE

Revenue recognised in the statement of profit or loss is analysed as follows:

	2017 £	2016 £
Energy generation	<u>601,933</u>	<u>572,641</u>

All turnover arose in the United Kingdom and is stated net of trade discounts, VAT and other similar taxes.



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

5. OTHER OPERATING INCOME

	2017	2016
	£	£
Liquidated damages	<u>-</u>	<u>11</u>

Liquidated damages relate to compensation received from the engineering, procurement and construction ("EPC") contractor, where the level of performance of the solar park falls below the level guaranteed under the EPC contract. The amount presented in the Statement of Profit or Loss represents the compensation that covers for lost revenue that would have been achieved if the solar park performed at the guaranteed level.

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2017	2016
	£	£
Interest income	<u>261</u>	<u>399</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Loan from group undertakings	291,095	304,945
Unwinding of discount on provision	<u>7,628</u>	<u>8,982</u>
	<u>298,723</u>	<u>313,927</u>

8. LOSS BEFORE TAXATION

The loss before income tax is stated after charging:

	2017	2016
	£	£
Depreciation	207,619	196,122
Management costs	53,080	54,596
Rent and land costs	<u>40,367</u>	<u>43,767</u>

**Remuneration**

For the year, the directors were employed by, and received all emoluments from other Oxygen House Partners Group undertakings.

9. TAXATION

**(a) Income tax on loss on ordinary activities**

Income tax charged in the statement of profit or loss:

	2017	2016
	£	£
<b>Current tax:</b>		
UK Corporation tax on the loss for the period	<u>-</u>	<u>-</u>
<b>Deferred tax:</b>		
Current year	40,164	(2,825)
Adjustment in respect of prior periods	(1)	5,673
Effect of changes in tax rates	<u>(4,688)</u>	<u>2,864</u>
	<u>35,475</u>	<u>5,712</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

9. TAXATION - continued

**(b) Reconciliation of the total income tax charge**

The income tax expense in the statement of profit or loss for the period differs from the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%). The differences are reconciled below:

	2017 £	2016 £
Accounting loss before taxation	(10,898)	(55,861)
At standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	(2,097)	(11,172)
Adjustments in respect of prior years	(1)	5,673
Tax effect of non-deductible items	8,193	8,347
Rate change adjustment on current year	(4,688)	2,684
Effects of group relief/other reliefs	34,068	-
Income tax (benefit)/expense in statement of profit or loss	35,475	5,532

**(c) Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 20% to 19% took effect from 1 April 2017. A further reduction from 19% to 17% was subsequently enacted in September 2016 and is due to take effect from 1 April 2020. As deferred tax assets and liabilities are measured at the tax rates that are expected to apply in periods of reversal, the company has restated all deferred tax closing balances using a rate of 17%.

**(d) Deferred tax**

	2017 £	2016 £
<b>Deferred tax liability/(asset)</b>		
Provision at start of period	(43,879)	(49,591)
Adjustment in respect of previous periods	(1)	5,674
Deferred tax charge to the income statement	35,476	38
Provision at end of period	(8,404)	(43,880)
	2017 £	2016 £
Accelerated capital allowances	(8,404)	(43,879)

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

10. TANGIBLE FIXED ASSETS

	Solar PV assets £	Inverters £	Other assets £	Totals £
<b>Cost</b>				
At 1 January 2017	4,574,063	330,155	10,357	4,914,575
Change to decommissioning asset	858	-	-	858
At 31 December 2017	4,574,921	330,155	10,357	4,915,433
<b>Depreciation</b>				
At 1 January 2017	687,983	84,483	6,052	778,518
Charge for year	183,020	22,010	2,589	207,619
At 31 December 2017	871,003	106,493	8,641	986,137
<b>Net book value</b>				
At 31 December 2017	3,703,918	223,662	1,716	3,929,296
At 31 December 2016	3,886,080	245,672	4,305	4,136,057

11. DEBTORS

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	86,179	33,383
Other debtors	57,696	63,533
	<u>143,875</u>	<u>96,916</u>
Amounts falling due after more than one year:		
Deferred tax	<u>8,404</u>	<u>43,879</u>
Aggregate amounts	<u>152,279</u>	<u>140,795</u>

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

Trade receivables are non-interest bearing and are generally receivable on 30 days' terms. As at 31 December 2017, the trade receivables balance was all due within 30 days.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other loans (see note 13)	4,088,418	4,259,189
Trade payables	20,008	26,376
VAT	38,295	23,804
Other creditors	3,500	3,500
Accrued expenses	<u>14,443</u>	<u>14,404</u>
	<u>4,164,664</u>	<u>4,327,273</u>

The above payables are all unsecured. Due to the nature of trade and other payables, their carrying value is assumed to approximate their fair value.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017

13. FINANCIAL LIABILITIES

	2017 £	2016 £
Current:		
Loans due to parent company	<u>4,088,418</u>	<u>4,259,189</u>
Terms and debt repayment schedule		
		1 year or less £
Loans due to parent company		<u>4,088,418</u>

The fair value measurement of interest bearing loans and borrowings has been determined based on significant observable inputs (level 2).

The loan from the parent company is unsecured, attracts interest at 7%, and is repayable on demand.

14. LEASING AGREEMENTS

Obligations under operating leases

The future minimum rentals payable under non-cancellable operating leases are as follows:

	2017 £	2016 £
Land and buildings		
Not later than one year	38,859	38,272
After one year but not more than five years	-	-
After five years	-	-
	<u>38,859</u>	<u>38,272</u>

15. PROVISIONS FOR LIABILITIES

Decommissioning provision

	2017 £	2016 £
<b>Decommissioning movement:</b>		
At beginning of period	415,008	340,244
Change in estimate	860	65,783
Unwinding of discount	<u>7,628</u>	<u>8,982</u>
At 31 December	<u>423,496</u>	<u>415,008</u>

A provision has been recognised in Non-Current Liabilities for decommissioning costs associated with the solar park. The Company is committed to decommissioning the site at the end of the lease term.

16. CALLED UP SHARE CAPITAL

	No.	2017 £	No.	2016 £
Allocated, called up and fully paid				
Ordinary shares of £1 each	1	<u>1</u>	1	<u>1</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2017**

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**18. CONTINGENT LIABILITIES**

There were no contingent liabilities at the balance sheet date.

**19. RELATED PARTY DISCLOSURES**

The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions between two or more wholly owned subsidiaries.

**20. EVENTS AFTER THE REPORTING PERIOD**

There are no events to report after the period end.

**21. ULTIMATE CONTROLLING PARTY**

The company's immediate parent undertaking is Low Carbon Solar Finance Limited. In the directors' opinion the ultimate parent undertaking and controlling party at 31 December 2017 is Oxygen House Partners LLP, a Limited Liability Partnership incorporated in England and Wales.

The smallest group in which the company is consolidated and which publishes consolidated accounts is Low Carbon Solar Finance Limited, whose accounts can be obtained from 2nd Floor, 13 Berkeley Street, London, W1J 8DU. The largest group in which the company is consolidated and which publishes consolidated accounts is Oxygen House Partners LLP, whose accounts can be obtained from Oxygen House Partners LLP, Oxygen House, Grenadier Road, Exeter Business Park, Exeter, EX1 3LH