Directors' Report and

Financial Statements for the Year Ended 31 December 2015

for

Ps Manor Farm Solar Limited

Ps Manor Farm Solar Limited

Contents of the Financial Statements
for the Year Ended 31 December 2015

Ps Manor Farm Solar Limited

Company Information
for the Year Ended 31 December 2015

DIRECTORS:	G E Shaw Pinecroft Corporate Services Limited
REGISTERED OFFICE:	c/o Foresight Group LLP The Shard, London Bridge Street London SE1 9SG
REGISTERED NUMBER:	08694630 (England and Wales)
AUDITORS:	BDO LLP 55 Baker Street London W1U 7EU

Ps Manor Farm Solar Limited

Directors' Report
for the Year Ended 31 December 2015

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of development and generation of electricity using solar technology.

DIRECTORS
The directors who have held office during the period from 1 January 2015 to the date of this report are as follows:

A Ceschiat - appointed 30 July 2015 - resigned 10 December 2015
M G Preston - resigned 30 July 2015
I S Sebastian - appointed 30 July 2015 - resigned 11 December 2015
A S King III - appointed 10 December 2015
C Rowlings - appointed 10 December 2015

G E Shaw , Pinecroft Corporate Services Limited and M N H Black were appointed as directors after 31 December 2015 but prior to the date of this report.

A S King III , C Rowlings and M N H Black ceased to be directors after 31 December 2015 but prior to the date of this report.

IFRS TRANSITION
The company is preparing their financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union for the first time; previous accounts were prepared in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). An explanation of how the transition has affected the reported financial position, financial performance and cashflows is provided in note 19.

POLITICAL DONATIONS
The company made no political donations in the period.

GOING CONCERN
The external finance facility is due for repayment on 30 June 2017, however the Company does not currently have sufficient funds to make this repayment. Management are in the process of discussing refinancing options with several lenders, however no agreement has been signed at the date of signing these accounts. Management has a history of being able to refinance portfolio assets and are confident of being able to refinance this loan before the repayment date. Management have therefore assessed the company to be a going concern and the accounts have been prepared on this basis.

SMALL COMPANY EXEMPTION
In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 414B of the Companies Act 2006 not to provide a Strategic Report.

DIVIDENDS
During the year no dividends have been declared or proposed.

DIRECTORS' RESPONSIBILITIES STATEMENT
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 International Financial Reporting Standards as adopted by the European Union. 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.

DISCLOSURE OF INFORMATION TO AUDITOR
The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

AUDITORS
During the period, BDO LLP were appointed as auditor. Pursuant to section 487 of the Companies Act 2006 the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

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:

G E Shaw - Director

27 September 2016

Report of the Independent Auditors to the Members of
Ps Manor Farm Solar Limited

We have audited the financial statements of Ps Manor Farm Solar Limited for the year ended 31 December 2015 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit or;
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

BDO LLP

MARC REINECKE (Senior Statutory Auditor)
for and on behalf of BDO LLP
55 Baker Street
London
W1U 7EU

Date: 27.9.2016

Ps Manor Farm Solar Limited

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2015

	Notes	Year Ended 31/12/15 £	Period 18/9/13 to 31/12/14 £
CONTINUING OPERATIONS			
Revenue		57,968	-
Cost of sales		(11,728)	-
GROSS PROFIT		46,240	-
Administrative expenses		(177,732)	(2,000)
OPERATING LOSS		(131,492)	(2,000)
Finance costs	4	(230,579)	-
LOSS BEFORE TAX CREDIT/(CHARGE)	5	(362,071)	(2,000)
Tax Credit/(Charge)	6	72,002	-
LOSS FOR THE YEAR		(290,069)	(2,000)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(290,069)	(2,000)

The notes form part of these financial statements

Ps Manor Farm Solar Limited (Registered number: 08694630)

Statement of Financial Position
31 December 2015

	Notes	31/12/15 £	31/12/14 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	15,723,402	23,900
Trade and other receivables	8	153,450	-
Deferred tax	13	72,002	-
		15,948,854	23,900
CURRENT ASSETS			
Trade and other receivables	8	426,296	4,781
Cash and cash equivalents	9	1,200,660	-
		1,626,956	4,781
TOTAL ASSETS		17,575,810	28,681
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	10	302,821	1
Retained earnings	11	(292,069)	(2,000)
TOTAL EQUITY		10,752	(1,999)
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	17,565,058	30,680
TOTAL LIABILITIES		17,565,058	30,680
TOTAL EQUITY AND LIABILITIES		17,575,810	28,681

The financial statements were approved by the Board of Directors on 27 September 2016 and were signed on its behalf by:

G E Shaw - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the Year Ended 31 December 2015

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	1	-	1
Total comprehensive loss	-	(2,000)	(2,000)
Balance at 31 December 2014	1	(2,000)	(1,999)
Changes in equity			
Issue of share capital	302,820	-	302,820
Total comprehensive loss	-	(290,069)	(290,069)
Balance at 31 December 2015	302,821	(292,069)	10,752

The notes form part of these financial statements

Ps Manor Farm Solar Limited

Statement of Cash Flows
for the Year Ended 31 December 2015

	Notes	Year Ended 31/12/15 £	Period 18/9/13 to 31/12/14 £
Cash flows from operating activities			
Cash generated from operations	1	(72,392)	23,899
Net cash from operating activities		(72,392)	23,899
Cash flows from investing activities			
Purchase of tangible fixed assets		(15,991,128)	(23,900)
Net cash from investing activities		(15,991,128)	(23,900)
Cash flows from financing activities			
New loans in year		17,640,937	-
Share issue		-	1
Interest paid		(376,757)	-
Net cash from financing activities		17,264,180	1
Increase in cash and cash equivalents		1,200,660	-
Cash and cash equivalents at beginning of year	2	-	-
Cash and cash equivalents at end of year	2	1,200,660	-

The notes form part of these financial statements

Notes to the Statement of Cash Flows
for the Year Ended 31 December 2015

1. **RECONCILIATION OF LOSS BEFORE TAX CREDIT/(CHARGE) TO CASH GENERATED FROM OPERATIONS**

	Year Ended 31/12/15 £	Period 18/9/13 to 31/12/14 £
Loss before tax credit/(charge)	(362,071)	(2,000)
Depreciation charges	136,626	-
Taxation	(72,002)	-
Finance costs	230,579	-
	(66,868)	(2,000)
Increase in trade and other receivables	(121,610)	(4,781)
Increase in trade and other payables	116,086	30,680
Cash generated from operations	(72,392)	23,899

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2015

	31/12/2015 £	31/12/2014 £
Cash and cash equivalents	1,200,660	-

The notes form part of these financial statements

1. **GENERAL INFORMATION**

PS MANOR FARM SOLAR LIMITED was a company incorporated and domiciled in the United Kingdom. The address of the registered office is Foresight Group LLP, The Shard, London Bridge Street, London, SE1 9SG

During the period the Company's activity is development and generation of electricity using solar technology.

2. **ACCOUNTING POLICIES**

Basis of preparation
The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening IFRS balance sheet at 1 January 2014 for the purposes of the transition to Adopted IFRSs.

IFRS Transition
The company is preparing their financial statements in accordance with Adopted IFRS for the first time; previous accounts were prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP). An explanation of how the transition has affected the reported financial position, financial performance and cashflows is provided in note 19.

Measurement convention
The financial statements have been prepared under the historical cost convention.

Going concern
The external finance facility is due for repayment on 30 June 2017, however the Company does not currently have sufficient funds to make this repayment. Management are in the process of discussing refinancing options with several lenders, however no agreement has been signed at the date of signing these accounts. Management has a history of being able to refinance portfolio assets and are confident of being able to refinance this loan before the repayment date. Management have therefore assessed the company to be a going concern and the accounts have been prepared on this basis.

Adopted IFRSs not yet applied
The following Adopted IFRSs have been issued but, not being effective for the financial year ended 31 December 2015 have not been applied in these financial statements. Their adoption is not expected to have a material effect on the financial statements.

- Annual improvements to IFRS (2102-2014 Cycle)
- Disclosure initiative: Amendments to IAS 1
- IFRS 9 Financial Instruments (effective date to be confirmed)
- IFRS 15 Revenue from Contracts with Customers (effective date to be confirmed).
- Clarification of Acceptable Methods of Depreciation and Amortisation - Amendments to IAS 16 and IAS 38
- IFRS 16 - leases (effective date to be confirmed).

Revenue recognition
Revenue represents income from the generation of energy from the operational solar park during the period. Any income not invoiced 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.

continued...

2. **ACCOUNTING POLICIES - continued**

Property, plant and equipment
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. Borrowing costs are expensed as incurred as they do not meet the capitalisation criteria under IAS 23, as the construction of the related assets does not require a substantial period of time.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 Photovoltaic (PV) assets - over 25 years - 4% straight line

The depreciation methods, estimated remaining useful lives and residual values are reviewed at each reporting date, taking account 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.

Provisions
A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

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 asset 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
Carrying value 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.

A previously recognised impairment will be revised 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 income statement.

After the 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.

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2. **ACCOUNTING POLICIES - continued**

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 of financial liability not at fair value through profit or 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 assets.

De-recognition of financial assets and liabilities
A financial asset, or apportion 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 the cash flow from the asset, but has assumed an obligation to pay them in full without material delay to a third party under "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 ownership of the asset or
(ii) has neither transferred nor retained substantially all the risks and rewards of ownership 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
Trade and other receivables reflected on the balance sheet are net of an allowance for uncollectible amounts.

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.

Finance costs and gains or losses relating to financial liabilities are included in the income statement. 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 financial liability then such capital is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Leases
Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of profit or loss and other comprehensive income on a straight-line basis over the period of the lease.

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.

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2. **ACCOUNTING POLICIES - continued**

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

The charge for taxation is based on the profit or loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. It also includes any adjustments in relation to prior periods.

Provision is made at current rates for deferred tax in respect of all timing differences that have originated but not reversed at the period end. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.
Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the net effect of future tax planning strategies.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Equity
Equity comprises the following

- "Share capital" represents the nominal value of ordinary equity shares.
- "Retained deficit" include all current results as disclosed in the income statement.

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Total capital is calculated as 'equity' as shown in the balance sheet plus net debt. The loan balances represent inter-company loans.

3. **EMPLOYEES AND DIRECTORS**

There were no staff costs for the year ended 31 December 2015 nor for the period ended 31 December 2014.

	Year Ended 31/12/15 £	Period 18/9/13 to 31/12/14 £
Directors' remuneration	-	-

continued...

EMPLOYEES AND DIRECTORS - continued

During the year under review the Key Management personnel are considered to be the directors of the company.

4. NET FINANCE COSTS

	Year Ended 31/12/15 £	Period 18/9/13 to 31/12/14 £
Finance costs:		
Interest payable	230,579	-

5. LOSS BEFORE TAX CREDIT/(CHARGE)

The loss before tax credit/(charge) is stated after charging:

	Year Ended 31/12/15 £	Period 18/9/13 to 31/12/14 £
Depreciation - owned assets	136,626	-
Auditors' remuneration	10,000	2,000

continued...

6. TAX CREDIT/(CHARGE)

Deferred tax asset accumulated on losses:

	31.12.2015
	£
Losses per financial statements:	(362,070)
Add:	
Depreciation	136,624
Non deductible expenses and adjustments	(1,050)
Less:	
Capital allowances	(433,360)
Trading Losses:	(659,856)
Losses b/f trading - Utilised	(659,856)
Taxable Trading profit	(659,856)
Deferred tax asset (taxation 20%) :	131,971

Deferred tax liabilities:

	31.12.2015
	£
Cost	15,860,028
Depreciation	(136,624)
Net Book Value (NBV)	15,723,404
Tax Book Value (TWDV)	15,423,558
NBV - TWDV	299,846
Deferred tax liability (taxation 20%) :	59,969

The company is expected to generate future taxable profits against which the net deferred tax assets can be utilised.

Factors that may affect future tax charges

The main rate of UK corporation tax has decreased from 21% to 20% from 1 April 2015, resulting in an effective corporation tax rate of 20% for 2016. This will further reduce to 19% from 1 April 2017. The rate from 1 April 2020 was expected to be 18%, however, it was announced at the recent budget that this will be 17%.
As this change has been substantively enacted after the reporting date deferred tax is recognised at 20% as at 31 December 2015.

continued...

7. **PROPERTY, PLANT AND EQUIPMENT**

	Plant and machinery £
COST	
At 1 January 2015	23,900
Additions	15,836,128
At 31 December 2015	15,860,028
DEPRECIATION	
Charge for year	136,626
At 31 December 2015	136,626
NET BOOK VALUE	
At 31 December 2015	15,723,402
At 31 December 2014	23,900

Last year a solar plant was under construction is classified as property, plant and equipment during current year and included in calculation of Capital Allowances.

8. **TRADE AND OTHER RECEIVABLES**

	31/12/15 £	31/12/14 £
Current:		
Trade debtors	8,607	-
Other debtors	371,343	4,781
VAT	46,346	-
	426,296	4,781
Non-current:		
Lease payments in advance	153,450	-
Aggregate amounts	579,746	4,781

9. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2015

	31/12/2015 £	31/12/2014 £
Cash and cash equivalents	1,200,660	-

continued...

10. CALLED UP SHARE CAPITAL

Share capital movement during the year

	£
Balance at start of the year	1
Shares issued: 302,820 shares, nominal value £1.00	302,820
Balance at the end of the year	302,821

The shares were issued with full voting, dividend and capital distribution rights. The value of the issued share capital at par.

11. RESERVES

	Retained earnings £
At 1 January 2015	(2,000)
Deficit for the year	(290,069)
At 31 December 2015	(292,069)

All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

12. TRADE AND OTHER PAYABLES

	31/12/15 £	31/12/14 £
Current:		
Trade creditors	34,801	-
Bond	11,483,256	-
Intercompany loan note	5,940,937	-
Other Creditors	106,064	30,680
	17,565,058	30,680

During the year the company entered into a short-term loan agreement with Bayern LB (Germany) for £11,700,00 which is repayable by 30th June 2016 with the interest rate 2.3% Libor plus margin.

An inter-company loan of £5,940,937 was provided on demand at interest rate at 5%.

13. DEFERRED TAX

	31/12/15 £	31/12/14 £
Movement of tax	(72,002)	-
Balance at 31 December	(72,002)	-

continued...

14. OTHER FINANCIAL COMMITMENTS

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

Financial Liabilities	1 year	2 to 5 years	After 5 years
Operating leases	38,680	154,720	763,930

15. FINANCIAL INSTRUMENTS

Fair Value category
The Financial assets and liabilities held by the Company for both 31 December 2015 and the 31 December 2014 were categorised under loans and receivable.

Fair value measurement
The fair value of the Financial Assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

	Carrying Amount 31-Dec-2015 £	Carrying Amount 31-Dec-2014 £	Fair Value 31-Dec-2015 £	Fair Value 31-Dec-2014 £
Financial assets:				
Loans and other receivables	426,296	-	426,296	-
Financial liabilities:				
Liabilities at Amortised cost	17,565,058	30,680	17,565,058	30,680

The fair value of financial assets and liabilities is includes at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Trade receivables and trade payables approximate their carrying amounts largely due to the short-term maturities of the instruments.

continued...

16. FINANCIAL RISK MANAGEMENT

The company's principal financial assets and liabilities comprise trade receivables, cash, interest bearing loans and trade payables.

The company has exposure to the following risks from its use of financial instruments:

- Market risks, commodity price, interest rate, inflation rate risks
- Credit risk
- Liquidity risk

This note represents information about the company's exposure to each of the above risks and the company's objectives, policies and processes for assessing and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

a) Market risk
The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return on risk.

The company is not exposed to significant foreign currency risk as the majority of all payables and receivables are denominated in pounds sterling which is the functional currency in which the company operates.

The company has limited exposure to interest rate risk. The company is fully funded by the parent company and has no floating rate interest bearing loans or borrowings at 31 December 2015 or 31 December 2014. The company does not intend to hold cash for the purpose of generating interest income.The company does not currently consider it necessary to actively manage interest rate risk. The interest rate risk that the company is exposing is LIBOR, the maximum expected rate of LIBOR is about 5%.

b) Credit risk
The company's policy are aimed at minimising losses as a result of counterparty's failure to honour its obligations. Exposure to credit risk arises as a result of the transactions with counterparties . The counterparties used by the company are considered by management to be of appropriate credit rating. At each balance sheet date, the company's financial assets were neither impaired nor past due. The maximum credit exposure at reporting date are the carrying value of the credit balances if any. Receivables from PPA is from a large and reputable entity. Management believes credit risks from PPA revenue to be low.

c) Liquidity risk
Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company monitors its risks of shortage of funds using projected cash flows and by monitoring the maturity of both its financial assets and obligations.

Period ended 31 December 2015

	On demand £	Less then 3 month £	3 to 12 months £	2 to 5 periods £	>5 periods £	Total £
Financial Liabilities						
Trade and other payables	34,801	106,064	11,483,256			11,624,121
Owing to group company	5,940,937					5,940,937
						17,565,058

continued...

Period ended 31 December 2014

	On demand £	Less then 3 month £	3 to 12 months £	2 to 5 periods £	>5 periods £	Total £
Financial Liabilities						
Trade and other payables	30,680					30,680
Owing to group company						
						30,680

d) Capital management
Management considers capital to consist of equity plus net debt as disclosed in the balance sheet. The primary objective of the company's capital management is to ensure healthy capital ratios in order to support its business and maximise shareholder value. The company's financial instruments comprise cash and liquid resources and various items, such as receivables and trade payables that arise directly from its operations. The company's policy is to finance its operations through group borrowings. It is the company's policy not to hold financial instruments for speculative purposes.

17. RELATED PARTY DISCLOSURE

During the year the company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31st December 2015, are as follows:

	Amounts owed by related parties £
Balance as at 01/01/2015	-
Group company: Share issue Amount owed related to issue of 302,820 shares	302,820
Balance as at 31/12/2015	302,820

18. ULTIMATE CONTROLLING PARTY

A the year end 31 December 2015 the company's immediate parent company was SunE Green HoldCo 14 Limited.
After the year end but before the date the report was signed the company became the wholly owned subsidiary of Foresight Solar FIT Company Trust ,which is the ultimate controlling party of the company.

19. IMPACT OF IFRS TRANSACTIONS

The first time adoption of IFRS did not have an impact on the reported financial position or financial performance of the company and therefore no adjustments were made to the equity position as at 1 January 2014 or 31 December 2015 or to the total comprehensive income for the year ended 31 December 2015.

Under-UK GAAP, the company was exempt under FRS1 from the requirement to prepare a cash flow statement including comparatives has been prepared this year in accordance with IFRS.