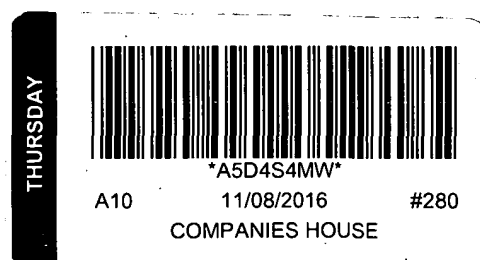


Sunsave 12 (Derriton Fields) Ltd
Annual Report and Financial Statements
For the Year ended 31 December 2015

No. 08195632



Sunsave 12 (Derriton Fields) Ltd
Report and Financial Statements for the Year ended 31 December 2015
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Sunsave 12 (Derriton Fields) Ltd
Company Information

Directors

Mr C Smith
Mr M Wayment
Mr R Russell

Secretary

Mr D Hearth

Independent auditor

Deloitte LLP
London
United Kingdom

Registered office

Beaufort Court Egg Farm Lane
Off Station Road
Kings Langley
Hertfordshire
WD4 8LR

Bankers

Lloyds Bank
PO Box 72, Bailey Drive
Gillingham Business Park,
Gillingham
Kent
ME8 0L5

Registered number

08195632

Sunsave 12 (Derriton Fields) Ltd
Directors' report
For the Year ended 31 December 2015

The Directors present their report and audited financial statements for the year ended 31 December 2015 for Sunsave 12 (Derriton Fields) Ltd.

Principal activities

The principal activity of Sunsave 12 (Derriton Fields) Ltd (the "Company") is the generation and sale of solar generated electricity. The Directors do not anticipate any changes to the business activities in the forthcoming year.

Directors

The directors who have held office during the period are as follows:

Mr C Smith	appointed 30 November 2015
Mr R Farnhill	resigned 10 June 2016
Mr R Russell	appointed 30 November 2015
Mr S Hughes	
Mr M Wayment	appointed 27 July 2016

Company Secretary

Mr D Hearth was appointed as the company secretary on 27 March 2014.

Directors indemnities

The Company has made no qualifying third party indemnity provisions for the benefit of its directors.

Going concern

The financial position of the Company is set out in the Balance Sheet, the Statement of cash flows and the accompanying notes to the financial statements.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the notes to the financial statements.

Business review

Fair review

The Company made a loss for the Year ended 31 December 2015 of £5,000 (2014 profit: £110,000).

The directors do not anticipate any future developments.

Dividends

No interim dividends were paid during the year (2014: nil). The Directors do not recommend the payment of a final dividend (last year: nil).

Principal risks and uncertainties

The principal risks and uncertainties of the business relate to the level of solar radiation arising at the site during the period.

Financial risk management

Details regarding managements approach to financial risk management can be found in note 2.

Sunsave 12 (Derriton Fields) Ltd
Directors' report (continued)
For the Year ended 31 December 2015

Disclosure of information to the auditor

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 which they know the auditor is unaware of.

Reappointment of auditors

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006. The company has also taken advantage of the small companies exemption from preparing a Strategic Report.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board and signed on its behalf on 5/8/16 by:



Mr R Russell
Director

Sunsave 12 (Derriton Fields) Ltd
Statement of Directors' responsibilities
For the Year ended 31 December 2015

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws 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). 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 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.

Independent auditor's report

To the Directors of Sunsave 12 (Derriton Fields) Ltd

We have audited the financial statements of Sunsave 12 (Derriton Fields) Ltd for the year ended 31 December 2015 which comprise the Profit and Loss Account, Statement of Comprehensive Income, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity and the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.'

This report is made solely to the company's member, 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 member 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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 the its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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.

Independent auditor's report (continued)
To the Directors of Sunsave 12 (Derriton Fields) Ltd

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 in preparing the Directors' Report or from the requirement to prepare a Strategic Report

Andrew Clark FCA

Andrew Clark (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

- 5 AUG 2016

Sunsave 12 (Derriton Fields) Ltd
Profit and Loss Account
For the Year ended 31 December 2015

	Notes	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Turnover	3	1,321	1,082
Cost of sales		(805)	(529)
Gross profit		516	553
Administrative expenses		(14)	(12)
Operating profit	4	502	541
Finance costs	7	(503)	(397)
Finance income	8	2	1
Profit on ordinary activities before taxation		1	145
Tax charge on profit on ordinary activities	9	(6)	(35)
(Loss) /profit for the financial year		(5)	110

All transactions are derived from continuing operations.

Sunsave 12 (Derriton Fields) Ltd
Statement of Comprehensive Income
For the Year ended 31 December 2015

	Notes	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
(Loss) /profit for the financial year		(5)	110
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u><u>(5)</u></u>	<u><u>110</u></u>

Sunsave 12 (Derriton Fields) Ltd
Balance Sheet
As at 31 December 2015

	Notes	At 31 December 2015 £'000	At 31 December 2014 £'000
Assets			
Fixed assets			
Tangible assets	10	11,848	12,355
		<u>11,848</u>	<u>12,355</u>
Current assets			
Debtors amounts falling due within one year	11	295	252
Cash at bank and in hand		38	816
		<u>333</u>	<u>1,068</u>
Creditors amounts falling due within one year	12	(237)	(230)
Net current assets		<u>96</u>	<u>838</u>
Total assets less current liabilities		<u>11,944</u>	<u>13,193</u>
Creditors amounts falling due after one year	13	(5,346)	(6,624)
Provisions for other liabilities and charges	14	(661)	(627)
Net assets		<u>5,937</u>	<u>5,942</u>
Capital and reserves			
Called up share capital	16	5,843	5,843
Retained earnings	17	94	99
		<u>5,937</u>	<u>5,942</u>

Registered Number 08195632

Approved and authorised for issue by the Board on 5/8/16 and signed on its behalf by:

R. P. Russell

Mr R Russell
Director

Sunsave 12 (Derriton Fields) Ltd
Statement of Cash Flows
For the Year ended 31 December 2015

	Notes	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Net cash inflow/(outflow) from operating activities	22	977	(4)
Investing activities			
Payments to acquire tangible fixed assets	10	-	(11,274)
Net cash flows used in investing activities		-	(11,274)
Financing activities			
Interest received		2	1
Interest paid		(405)	-
Repayment of long-term loans		(1,352)	-
Receipt of long-term loan		-	6,250
Proceeds from share issue		-	5,843
Net cash flows (used in)/from financing activities		(1,755)	12,094
Net (decrease)/increase in cash and cash equivalents		(778)	816
Cash and cash equivalents at 1 January		816	-
Cash and cash equivalents at 31 December	22	38	816

Sunsave 12 (Derriton Fields) Ltd
Statement of Changes in Equity
For the Year ended 31 December 2015

	Share Capital	Retained earnings	Total
	£'000	£'000	£'000
At 1 January 2015	5,843	99	5,942
Loss for the year	-	(5)	(5)
Other Comprehensive Income	-	-	-
Total	5,843	94	5,937

For the Year ended 31 December 2014

	Share Capital	Retained earnings	Total
	£'000	£'000	£'000
At 1 January 2014	-	(11)	(11)
Profit for the year	-	110	110
Other Comprehensive Income	-	-	-
Issue of share capital	5,843	-	5,843
Total	5,843	99	5,942

The notes on pages 13 to 20 are an integral part of these financial statements.

1 Accounting policies

The particular accounting policies adopted by the directors are described below.

Statement of compliance

Sunsave 12 (Derriton Fields) Ltd is a limited liability company incorporated in England. The Registered Office is Beaufort Court Egg Farm Lane, Off Station Road, Kings Langley, Hertfordshire, WD4 8LR

The company's financial statements have been prepared in compliance with FRS 102.

The company transitioned from previously extant UK GAAP to FRS 102 as at 1 January 2014. An explanation of how this transition to FRS 102 has affected the reported financial position and financial performance is given in note 19.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £'000 unless otherwise stated.

Foreign currencies

Transactions denominated in foreign currencies are initially recorded at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange ruling at that date. The translation differences are included in the profit and loss account.

Turnover

Turnover comprises amounts received and receivable in respect of the invoiced value of generated electricity, Renewable Obligation Certificates (ROCs) and accrued income. Turnover is recognised when it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes or duty.

Turnover on the generation of energy comprises the value of units supplied during the year. Units are determined by energy volumes recorded on the solar farm meters and market settlement systems.

Under the terms of its Power Purchase Agreements with customers, ROC's are immediately transferrable to the customer. Turnover in relation to ROCs is recognised in line with the generation of energy.

Accrued income represents the sales value of energy (and related ROCs) which is yet to be invoiced and is based upon the value of units supplied with respect to energy and quantity of units supplied with respect to ROCs.

There is only one operating activity and all turnover is generated within the United Kingdom.

Interest received is recognised on a time apportioned basis.

Tangible fixed assets

All tangible fixed assets are stated at cost net of accumulated depreciation and any accumulated provision for impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All repair and maintenance costs are recognised in the profit and loss account as incurred. The present value of the expected cost for the decommissioning of the asset after its use, is included in the cost of the respective asset if the recognition criteria for a provision are met.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Depreciation

Fixed assets other than freehold land are depreciated over their useful economic lives on a straight-line basis at the following rates per annum:

Property, plant and equipment	4%
-------------------------------	----

Operating leases

Operating lease rentals are charged to the profit and loss account over the life of the lease.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted, or substantively enacted by the balance sheet date.

Interest payable

Interest payable on loans is charged to the profit and loss account on an accruals basis.

Decommissioning costs

Provisions for decommissioning are recognised in full when the related facilities are constructed. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related plant and equipment. The amount recognised is the estimated cost of decommissioning, discounted to its net present value, and is reassessed each year in accordance with local conditions and requirements. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to plant and equipment. The unwinding of the discount on the decommissioning provision is included as a finance cost. The carrying amount for the provision as at 31 December 2015 was £612k (2014: £588k).

Deferred tax

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the statement of balance sheet date.

Provisions

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

1 Accounting policies (continued)

Going concern

The financial statements have been prepared on the going concern basis.

The Renewables Infrastructure Group (UK) Investments Ltd, has confirmed to the directors that it will not demand repayment for existing intercompany loans such that insolvency would result, for a period of at least twelve months from the date of signing of the Directors' Report and Financial Statements.

The directors have considered the company's cash flow forecast for the period to the end of August 2017 and are satisfied that the company, taking account of reasonably possible changes in trading performance and the current funds available, is able to operate for at least twelve months from the signing of the Director's Report and Financial Statements. For this reason the directors believe that the company has adequate resources to continue in operational existence and therefore it is appropriate that the company continues to adopt the going concern basis in preparing the Directors' Report and Financial Statements.

Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Decommissioning provision

The Company recognises 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.

Capitalisation and depreciation of property, plant and equipment

The depreciation methods, estimated remaining useful lives and residual values are reviewed on an ongoing basis.

2 Financial risk management

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 prices comprise of a number of types of risk, the following are discussed below: interest rate risk and currency risk. Financial instruments affected by market risk include: loans and borrowings, deposits are derivative financial instruments.

The Company's risk management focuses on the major areas of credit risk and liquidity risk.

Interest rate risk

The Company's interest rate risk arises from long-term borrowings. The company's only long term debt incurs a fixed interest rate and therefore the company does not have significant exposure to this risk.

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The company does not have significant exposure in this respect.

Regulatory risk

Regulatory risk is the risk that a change in regulations and law that might affect an industry or a business. Renewable energy projects are dependent for their commercial viability on a suitable regulatory regime. There is a risk that governments introduce retrospective changes to the regime that is agreed at the time the project commenced. This however is unusual in the market and changes to the regulatory regime are more typically for future projects.

Energy resource risk

The energy resource risk is the risk that the amount of the renewable energy resource (eg. solar and solar irradiation) that is available for a given project is lower than the amount that is expected in the financial model.

Management of capital

The primary objective of the Company's management of capital is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. No changes were made in the objectives, policies or processes during the year ended 31 December 2015.

Capital risk management

Capital held by the Company and managed centrally as part of the The Renewables Infrastructure Group (UK) Investments comprises share capital and reserves which can be found in the balance sheet on page 9.

Sunsave 12 (Derriton Fields) Ltd
Notes to the Financial Statements
For the Year ended 31 December 2015

3 Turnover and segmental analysis

Area of activity:

Sale of electricity, including renewable incentives

Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
1,321	1,082
<u>1,321</u>	<u>1,082</u>

Geographical area:

UK turnover

Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
1,321	1,082
<u>1,321</u>	<u>1,082</u>

4 Operating profit

This is stated after charging/(crediting):

Depreciation

Auditors' remuneration - the audit of the company's annual accounts

Operating lease rentals - land and buildings

Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
507	295
6	5
72	47

5 Directors Remuneration

No directors received any form of remuneration in lieu of their services to the company.

6 Employee information

The Company had no employees in the current nor previous financial period.

7 Finance costs

Interest payable to related parties

Unwinding of discount on decommissioning provision

Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
479	374
24	23
<u>503</u>	<u>397</u>

8 Finance income

Bank interest receivable

Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
2	1
<u>2</u>	<u>1</u>

Sunsave 12 (Derriton Fields) Ltd
Notes to the Financial Statements
For the Year ended 31 December 2015

9 Taxation charge

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Current tax charge:		
UK corporation tax for the period at 20.25% (2014: 21.04%)	-	-
Total current tax credit	-	-
Deferred tax:		
Origination and reversal of timing differences	11	37
Effect of change in tax rates	(5)	(2)
Total deferred tax charge	6	35
Total tax charge for the year	6	35

(b) Factors affecting the tax charge for the current period:

	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Profit on ordinary activities before tax	1	145
Corporation tax for the period at 20.25% (2014:21.04%)	-	31
Effects of:		
Expenses not deductible for tax purposes	11	6
Effect of tax rate changes	(5)	(2)
	6	35

The rate of corporation tax changed from 21% to 20% on 1 April 2015. At the Summer Budget 2015, the Government announced a reduction in the rate from 20% to 19% for the year beginning 1 April 2017, with a further reduction from 19% to 18% for the year beginning 1 April 2020. As deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the periods of reversal, the company has restated all deferred tax closing balances using a rate of 18%.

c) Deferred tax

The deferred tax included in the balance sheet is as follows:

	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Deferred tax assets/(liabilities)		
Fixed asset timing differences	(49)	(40)
Short term timing differences	8	5
	(41)	(35)
Deferred tax assets		£'000
At 1 January 2015		4
Deferred tax credit to income statement for the period		4
At 31 December 2015		8
Deferred tax liabilities		£'000
At 1 January 2015		(39)
Deferred tax charge to income statement for the period		(10)
At 31 December 2015		(49)

Sunsave 12 (Derriton Fields) Ltd
Notes to the Financial Statements
For the Year ended 31 December 2015

10 Tangible fixed assets

	Property, Plant and equipment	Total
Cost:	£'000	£'000
At 1 January 2015	12,650	12,650
Additions	-	-
Disposals	-	-
At 31 December 2015	<u>12,650</u>	<u>12,650</u>
Depreciation:		
At 1 January 2015	295	295
Charge for the period	507	507
Eliminated on disposals	-	-
At 31 December 2015	<u>802</u>	<u>802</u>
Net book value:		
At 31 December 2015	<u>11,848</u>	<u>11,848</u>
At 31 December 2014	<u>12,355</u>	<u>12,355</u>

11 Debtors

	31 December 2015 £'000	31 December 2014 £'000
Trade debtors	99	19
Deferred tax	8	4
Prepayments and accrued income	188	229
	<u>295</u>	<u>252</u>

12 Creditors: amounts falling due within one year

	31 December 2015 £'000	31 December 2014 £'000
Trade creditors	62	74
Value added tax	73	66
Accruals and deferred income	102	90
	<u>237</u>	<u>230</u>

13 Creditors: amounts falling due after one year

	31 December 2015 £'000	31 December 2014 £'000
Amounts owed to Group undertakings	5,346	6,624
	<u>5,346</u>	<u>6,624</u>

Amounts owed to group undertakings consist of unsecured loan notes maturing in 2034 from the Company's immediate parent undertaking. Interest is payable at 7.9% per annum.

The intercompany loan has been reclassified in the prior year to be within creditors greater than one year to better reflect the terms of the loan agreement.

Sunsave 12 (Derriton Fields) Ltd
Notes to the Financial Statements
For the Year ended 31 December 2015

14 Provisions for liabilities and charges

	Deferred tax provision £'000	Decommissioning provision £'000	Total £'000
At 1 January 2014	-	-	-
Provided for during the year	-	565	565
Charged to income statement	39	23	62
At 31 December 2014	<u>39</u>	<u>588</u>	<u>627</u>
At 1 January 2015	39	588	627
Charged to income statement	10	24	34
At 31 December 2015	<u>49</u>	<u>612</u>	<u>661</u>

A provision has been recognised for decommissioning costs associated with the solar farm owned by Sunsave 12 (Derriton Fields) Ltd. Sunsave 12 (Derriton Fields) Ltd is committed to decommissioning the solar farm as a result of the construction of the solar farm for the production of power. The decommissioning provision provides for the future costs of decommissioning of the solar farm. The decommissioning costs were estimated at the time of construction based on the number of panels installed. The provision has been discounted at an annual rate of 4% (2014: 4%) and this discount will be unwound and charged to the profit and loss account until 2039, the estimated date of decommissioning.

15 Loans

	31 December 2015 £'000	31 December 2014 £'000
Current:		
Intercompany borrowings	-	-
Non current:		
Intercompany borrowings	5,346	6,624
	<u>5,346</u>	<u>6,624</u>

Intercompany borrowings consist of unsecured loan notes maturing in 2034 denominated in GBP and bearing interest at 7.9%. The loan notes are redeemable on 31 December 2034.

Maturities of financial liabilities

	On demand £'000	Up to 3 months £'000	3 to 12 months £'000	1 to 5 years £'000	Over 5 years £'000	Total £'000
At 31 December 2014						
Loans and debts due to related parties	-	-	-	-	6,624	6,624
Total financial liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,624</u>	<u>6,624</u>
At 31 December 2015						
Loans and debts due to related parties	-	-	-	-	5,346	5,346
Total financial liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,346</u>	<u>5,346</u>

16 Called up share capital

	31 December 2015 No.	£	31 December 2014 No.	£
Allotted, called up and fully paid shares				
Ordinary 'A' shares of £1 each	5,842,848	5,842,848	5,842,848	5,842,848
		<u>5,842,848</u>		<u>5,842,848</u>

17 Capital and reserves

	£'000
At 1 January 2014	(11)
Retained profit for the period	110
Other Comprehensive Income	-
Share issue	5,843
At 31 December 2014	<u>5,942</u>
Retained profit for the period	(5)
Other Comprehensive Income	-
At 31 December 2015	<u>5,937</u>

Sunsave 12 (Derriton Fields) Ltd
Notes to the Financial Statements
For the Year ended 31 December 2015

18 Operating lease commitments

The company has entered into lease agreements with the landowners on which its solar farm is situated to pay rent based on fixed amounts and amounts linked to turnover and production. Future minimum rentals payable under non-cancellable operating leases are as follows:

	31 December 2015 £'000	31 December 2014 £'000
Operating lease expiring:		
Within one year	52	52
In two to five years	209	209
In over five years	702	754
	<u>963</u>	<u>1,015</u>

19 First-time adoption of FRS 102

For all periods up to and including the period ended 31 December 2014, the company prepared its financial statements in accordance with previously extant United Kingdom generally accepted accounting practice (UK GAAP). These financial statements for the year ended 31 December 2015, are the first the company has prepared in accordance with FRS 102.

Accordingly the company has prepared individual financial statements which comply with FRS 102 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the company has started from an opening balance sheet as at 1 January 2014, the company's date of transition to FRS 102, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 102. As such, this note explains the principal adjustments made by the company in restating its balance sheet as at 1 January 2014 prepared under previously extant UK GAAP and its previously published UK GAAP financial statements for the period ended 31 December 2014.

Reconciliation of equity as at 1 January 2014 and 31 December 2014

	As previously stated £000's	01-Jan-14 Effects of transition £000's	2014 restated £000's	As previously stated £000's	31-Dec-14 Effects of transition £000's	2014 restated £000's
Assets						
Non-current assets						
Tangible assets	811	-	811	12,355	-	12,355
	<u>811</u>	<u>-</u>	<u>811</u>	<u>12,355</u>	<u>-</u>	<u>12,355</u>
Current assets						
Debtors amounts falling due within one year (Note A)	168	-	168	248	4	252
Cash at bank and in hand	-	-	-	816	-	816
	<u>168</u>	<u>-</u>	<u>168</u>	<u>1,064</u>	<u>4</u>	<u>1,068</u>
Creditors amounts falling due within one year	(990)	-	(990)	(6,854)	-	(6,854)
Net current assets	<u>(822)</u>	<u>-</u>	<u>(822)</u>	<u>(5,790)</u>	<u>4</u>	<u>(5,786)</u>
Total assets less current liabilities	<u>(11)</u>	<u>-</u>	<u>(11)</u>	<u>6,565</u>	<u>4</u>	<u>6,569</u>
Creditors amounts falling due after one year	-	-	-	-	-	-
Provisions for other liabilities and charges (Note A)	-	-	-	(623)	(4)	(627)
Net assets	<u>(11)</u>	<u>-</u>	<u>(11)</u>	<u>5,942</u>	<u>-</u>	<u>5,942</u>
Capital and reserves						
Called up share capital	-	-	-	5,843	-	5,843
Profit and loss account	(11)	-	(11)	99	-	99
Total equity	<u>(11)</u>	<u>-</u>	<u>(11)</u>	<u>5,942</u>	<u>-</u>	<u>5,942</u>

19 First-time adoption of FRS 102 (continued)

Reconciliation of total comprehensive income for the year to 31 December 2014

	As previously stated £000's	31-Dec-14 Effects of transition £000's	2014 restated £000's
Turnover	1,082	-	1,082
Costs of sales	(529)	-	(529)
Gross Profit	553	-	553
Administrative expenses	(12)	-	(12)
Operating profit	541	-	541
Finance income	1	-	1
Finance costs	(397)	-	(397)
Profit on ordinary activities before taxation	145	-	145
Tax (charge)/credit on profit on ordinary activities	(35)	-	(35)
(Loss)/profit on ordinary activities after taxation	110	-	110
Other comprehensive income	-	-	-
Total comprehensive (loss)/income for the year	110	-	110

Note A – Debtor amounts due after one year

In connection with the transition to FRS 102, the deferred tax asset debtor has been disclosed on the face of the balance sheet within "debtors greater than one year".

20 Related party disclosures

The following related party balances were outstanding as at 31 December 2015:

Amounts due to the ultimate parent company; The Renewables Infrastructure Group Limited:	2015 £'000	2014 £'000
As at 1 January	6,624	-
Loans received during the year	-	6,250
Loan repayments made	(1,757)	-
Interest charge	479	374
As at 31 December	5,346	6,624

21 Ultimate controlling party

The company is controlled by the immediate parent company, European Investments Solar Holdings Limited, a company incorporated in Great Britain. The ultimate parent company is The Renewables Infrastructure Group Limited.

The ultimate controlling party at the date of the financial statements was The Renewables Infrastructure Group Limited, which is owned by a number of investors with no one investor having individual control.

22 Notes to the statement of cash flows

	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
a) Reconciliation of profit to net cash (outflow)/inflow from operating activities:		
Profit on ordinary activities before interest and taxation	502	541
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation of tangible fixed assets	507	295
Working capital adjustments:		
(Increase)/decrease in trade and other debtors and prepayments	(39)	(80)
Increase/(decrease) in trade and other creditors	7	(760)
Net cash (outflow)/inflow from operating activities	977	(4)
b) Cash and cash equivalents		
	31 December 2015 £'000	31 December 2014 £'000
Cash at bank and in hand	38	816
Cash and cash equivalents	38	816