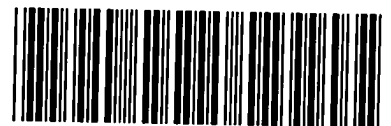


**Hale Farm Solar Limited**

**Directors' report and**

**Audited financial statements for the period 1 October 2015 to 31 December 2016**

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For The Period 1 October 2015 to 31 December 2016**

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# **Hale Farm Solar Limited**

## **Company information**

**For The Period 1 October 2015 to 31 December 2016**

**Directors:**

P G Raftery  
C D K Reid

**Registered office:**

2nd Floor Edgeborough House  
Upper Edgeborough Road  
Guildford  
Surrey  
GU1 2BJ

**Registered number:**

09308997 (England and Wales)

**Independent auditors:**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

**Bankers:**

HSBC  
3 Rivergate  
Temple Quay  
Bristol  
BS1 6ER

# **Hale Farm Solar Limited**

## **Directors' report**

### **For The Period 1 October 2015 to 31 December 2016**

The directors present their report with the financial statements of the Company for the period 1 October 2015 to 31 December 2016.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Further information on the basis of preparation of these financial statements and the going concern assumption can be found in note 2.

### **Principal activity**

The principal activity of the Company in the period under review was the operation of the 12MW solar farm in Wiltshire and this is expected to continue to be the principal activity of the Company.

### **Dividends**

The profit during the year ended 31 December 2016 was £21,083 (30 September 2015: £(40,846) loss).

The directors do not recommend the payment of a dividend (30 September 2015: £nil).

### **Directors**

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

A J C Newman - resigned 8 March 2016

P G Raftery - appointed 8 March 2016

C D K Reid - appointed 8 March 2016

A A Yazdabadi - resigned 8 March 2016

### **Risks and uncertainties**

The Company is exposed to fluctuations in UK power prices. The company seeks to manage the volatility in power prices by fixing prices at least six months in advance whenever possible.

### **Directors' indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

### **Statement as to disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Hale Farm Solar Limited**

**Directors' report**

**For The Period 1 October 2015 to 31 December 2016**

**Auditors**

The auditors, BDO LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**On behalf of the board:**

A handwritten signature in black ink, consisting of a series of connected loops and peaks, representing the name C D K Reid.

C D K Reid - Director

27 September 2017

**Statement of directors' responsibilities  
For The Period 1 October 2015 to 31 December 2016**

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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.

## **Independent auditors' report to the members of Hale Farm Solar Limited**

We have audited the financial statements of Hale Farm Solar Limited for the year ended 31 December 2016 which comprise the Income Statement, the Statement of Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes on pages 11 to 20. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 an Auditors' 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 auditors**

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 Financial Reporting Council's (FRC'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 FRC's website at [www.frc.org.uk/auditscope/private](http://www.frc.org.uk/auditscope/private).

### **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 2016 and of its profit for the period 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 matter prescribed by the Companies Act 2006**

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Independent auditors' report to the members of  
Hale Farm Solar Limited**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained during the course of the audit, we have not identified material misstatements in the directors' report.

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 prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.



Marc Reinecke (Senior Statutory Auditor)  
for and on behalf of BDO LLP  
London

Date: 28-9-2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



# Hale Farm Solar Limited

## Income statement

For The Period 1 October 2015 to 31 December 2016

|   |       | Period<br>1/10/15<br>to<br>31/12/16<br>£ | Period<br>13/11/14<br>to<br>30/9/15<br>£ |
|---|-------|--|--|
|   | Notes |  |  |
| <b>Turnover</b>                               | 3     | 1,220,067                                | 410,683                                  |
| Cost of sales                                 |       | <u>(707,705)</u>                         | <u>(383,877)</u>                         |
| <b>Gross profit</b>                           |       | 512,362                                  | 26,806                                   |
| Administrative expenses                       |       | <u>(20,437)</u>                          | <u>(67,652)</u>                          |
| <b>Operating profit/(loss)</b>                | 4     | 491,925                                  | (40,846)                                 |
| Interest receivable and similar income        |       | <u>131</u>                               | <u>-</u>                                 |
|   |       | 492,056                                  | (40,846)                                 |
| Interest payable and similar expenses         |       | <u>(463,508)</u>                         | <u>-</u>                                 |
| <b>Profit/(loss) before taxation</b>          |       | 28,548                                   | (40,846)                                 |
| Tax on profit/(loss)                          |       | <u>(7,465)</u>                           | <u>-</u>                                 |
| <b>Profit/(loss) for the financial period</b> |       | <u><u>21,083</u></u>                     | <u><u>(40,846)</u></u>                   |

The notes on pages 11 to 21 form part of these financial statements

**Hale Farm Solar Limited**

**Statement of other comprehensive income  
For The Period 1 October 2015 to 31 December 2016**

|   | Notes | Period<br>1/10/15<br>to<br>31/12/16<br>£ | Period<br>13/11/14<br>to<br>30/9/15<br>£ |
|---|-------|--|--|
| <b>Profit/(loss) for the period</b>                         |       | 21,083                                   | (40,846)                                 |
| <b>Other comprehensive income</b>                           |       | —  | —  |
| <b>Total comprehensive income/(loss)<br/>for the period</b> |       | <u>21,083</u>                            | <u>(40,846)</u>                          |

The notes on pages 11 to 21 form part of these financial statements


**Hale Farm Solar Limited (Registered number: 09308997)**

**Balance sheet  
31 December 2016**

|  | Notes | 31/12/16<br>£       | 30/9/15<br>£       |
|--|-------|---------------------|--------------------|
| <b>Fixed assets</b>                          |       |                     |                    |
| Intangible assets                            | 5     | -                   | 86,900             |
| Tangible assets                              | 6     | <u>11,926,016</u>   | <u>-</u>           |
|  |       | <u>11,926,016</u>   | <u>86,900</u>      |
| <br><b>Current assets</b>                    |       |                     |                    |
| Debtors                                      | 7     | 652,960             | 5,388,499          |
| Cash at bank                                 |       | <u>300,040</u>      | <u>-</u>           |
|  |       | 953,000             | 5,388,499          |
| <b>Creditors</b>                             |       |                     |                    |
| Amounts falling due within one year          | 8     | <u>(12,731,619)</u> | <u>(5,516,244)</u> |
| <b>Net current liabilities</b>               |       | <u>(11,778,619)</u> | <u>(127,745)</u>   |
| <b>Total assets less current liabilities</b> |       | 147,397             | (40,845)           |
| <b>Provisions for liabilities</b>            |       | <u>(167,159)</u>    | <u>-</u>           |
| <b>Net liabilities</b>                       |       | <u>(19,762)</u>     | <u>(40,845)</u>    |
| <br><b>Capital and reserves</b>              |       |                     |                    |
| Called up share capital                      |       | 1                   | 1                  |
| Retained earnings                            |       | <u>(19,763)</u>     | <u>(40,846)</u>    |
|  |       | <u>(19,762)</u>     | <u>(40,845)</u>    |

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 27 September 2017 and were signed on its behalf by:



C D K Reid - Director

The notes on pages 11 to 21 form part of these financial statements

# Hale Farm Solar Limited

## Statement of changes in equity

For The Period 1 October 2015 to 31 December 2016

|                                     | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£   |
|-------------------------------------|------------------------------------|---------------------------|------------------------|
| <b>Changes in equity</b>            |                                    |                           |                        |
| Issue of share capital              | 1                                  | -                         | 1                      |
| Total comprehensive loss            | <u>-</u>                           | <u>(40,846)</u>           | <u>(40,846)</u>        |
| <b>Balance at 30 September 2015</b> | <u>1</u>                           | <u>(40,846)</u>           | <u>(40,845)</u>        |
| <b>Changes in equity</b>            |                                    |                           |                        |
| Total comprehensive income          | <u>-</u>                           | <u>21,083</u>             | <u>21,083</u>          |
| <b>Balance at 31 December 2016</b>  | <u><u>1</u></u>                    | <u><u>(19,763)</u></u>    | <u><u>(19,762)</u></u> |

The notes on pages 11 to 21 form part of these financial statements

## **Hale Farm Solar Limited**

### **Notes to the financial statements**

**For The Period 1 October 2015 to 31 December 2016**

#### **1. General information**

Hale Farm Solar Limited is a company incorporated in the United Kingdom, England and Wales, under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 2.

#### **2. Accounting policies**

##### **Basis of preparing the financial statements**

The financial statements have been prepared in accordance with the applicable United Kingdom accounting standards, including Financial Reporting Standard 102 section 1A small entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements apply the July 2015 amendments to FRS 102. The particular accounting policies adopted are described below and have been applied consistently throughout the current and previous financial period.

Section 1A for small companies has been applied on the basis that the entity meets the criteria set out within the Companies Act. The directors believe the entity is part of an eligible group on the basis that the ultimate controlling party is not listed on any market.

The Company has taken advantage of the exemptions available to small entities under section 1A in relation to presentation of a cash flow statement and disclosures of net finance charge, current taxation, financial instruments, share capital and reserves.

The financial statements are prepared under the historical cost convention, except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

**Notes to the financial statements - continued**  
**For The Period 1 October 2015 to 31 December 2016**

**Going concern**

The financial statements have been prepared on the basis the Company is a going concern, notwithstanding net liabilities of £16,810 which the directors consider appropriate.

The directors have separately reviewed integrated forecasts for the Company, for the foreseeable future, which indicate that the Company will be able to meet its cash flow demands and liabilities as they fall due from cash flows from operations and existing working capital.

The directors have written confirmation that RI Income UK Holdings Limited, a fellow group company, intends to continue to financially support the Company during the 12 months following the date the financial statements are signed.

**Critical accounting judgements and key sources of estimation uncertainty**

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 have had the most significant effect on amounts recognised in the financial statements.

**Deferred taxation**

Deferred tax assets are only recognised when management deem that it is highly probable that there will be sufficient taxable profits in future periods which can utilise the deferred tax asset.

**Operating lease commitments**

The classification of leases as operating or finance leases requires the Company to determine, based on evaluation of the terms and conditions of the arrangements, whether it acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires recognition on the balance sheet.

**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. The amount recognised is the estimated present value of expenditure determined in accordance with local conditions and requirements.

## **Hale Farm Solar Limited**

### **Notes to the financial statements - continued** **For The Period 1 October 2015 to 31 December 2016**

#### **2. Accounting policies - continued**

##### **Turnover**

Turnover represents the value of power generated during the year, excluding value added tax, in the UK.

##### **Turnover recognition**

Turnover is recognised when the significant risks and rewards are considered to have transferred to the buyer and is recorded at the fair value of the consideration received or receivable. The following specific recognition criteria must also be met before turnover is recognised:

##### **a) Generation and embedded benefits turnover**

Turnover from the sale of electricity represents the invoice value, pre sales tax, of electricity provided to third parties and is recognised when electricity is generated. Embedded benefits are paid to generating plant located on the distribution network to reflect the lower cost of transporting electricity to the end user and are recorded at the invoice value.

##### **b) ROCs turnover**

Renewable Obligation Certificates (ROCs) are issued to qualifying renewable generators under the terms of the generating station's OFGEM Renewable Obligation registration. These certificates may be traded separately from the electricity to which they relate. The ROCs are recorded as accrued income at fair value and recognised in turnover when the electricity to which they relate is generated. Any impairment of ROCs due to reduction in the market price is recorded in profit and loss.

##### **Intangible fixed assets**

All intangible fixed assets are stated at cost less amortisation. Such costs include costs directly attributable to the asset.

##### **Amortisation**

Amortisation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Solar Plant - 4 % per annum

##### **Tangible fixed assets**

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of such plant and equipment when that cost is incurred if the recognition criteria are met, but excludes the costs of day-to-day servicing which is expensed as incurred.

Depreciation is provided on all tangible fixed assets, other than freehold land, at the following annual rates in order to write off each asset over its estimated useful life.

Operating solar sites - 25 years

**Notes to the financial statements - continued**  
**For The Period 1 October 2015 to 31 December 2016**

**2. Accounting policies - continued**

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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.

**Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.



**Notes to the financial statements - continued**  
**For The Period 1 October 2015 to 31 December 2016**

**2. Accounting policies - continued**

**Equity instruments**

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

**Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised for financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Notes to the financial statements - continued**  
**For The Period 1 October 2015 to 31 December 2016**

**2. Accounting policies - continued**

**Taxation**

Current tax, including UK corporation and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

-provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

-deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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 substantively enacted at the balance sheet date.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Deferred tax assets and liabilities are offset only if the Company has a legally enforceable right to set off current tax assets against current tax liabilities.

**Notes to the financial statements - continued**  
**For The Period 1 October 2015 to 31 December 2016**

**2. Accounting policies - continued**

**Cash**

Cash at bank and in hand on the balance sheet comprise cash in hand and deposits held at call with banks.

**Accrued income**

Accrued income represents accruals for electricity generation and ROC income not yet billed.

**Dividend distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the year in which the dividends are approved by the Company's shareholders.

**Decommissioning provision**

Liabilities for decommissioning costs are recognised when the Company has an obligation to dismantle and remove 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 item of property, plant and equipment has also been recognised.

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.

**Operating leases**

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**Bank borrowings**

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption are accounted for on an accruals basis in the profit and loss account using the effective interest method and are added to the carrying amount of the instrument to the extent they are not settled in the period which they arise.

**Borrowing costs**

Borrowing costs are expensed as incurred.

**3. Turnover**

The turnover and profit (2015 - loss) before taxation are attributable to the one principal activity of the Company.

# Hale Farm Solar Limited

## Notes to the financial statements - continued For The Period 1 October 2015 to 31 December 2016

### 4. Operating profit/(loss)

The operating profit (2015 - operating loss) is stated after charging:

|                               | Period<br>1/10/15<br>to<br>31/12/16<br>£ | Period<br>13/11/14<br>to<br>30/9/15<br>£ |
|-------------------------------|--|--|
| Rentals under operating lease | 57,562                                   | 47,899                                   |
| Depreciation - owned assets   | 428,315                                  | -  |
| Auditor's remuneration        | <u>5,000</u>                             | <u>5,000</u>                             |

### 5. Intangible fixed assets

|                           | Development<br>costs<br>£ |
|---------------------------|---------------------------|
| <b>Cost</b>               |                           |
| At 1 October 2015         | 86,900                    |
| Reclassification/transfer | <u>(86,900)</u>           |
| At 31 December 2016       | -                         |
| <b>Net book value</b>     |                           |
| At 31 December 2016       | <u>-</u>                  |
| At 30 September 2015      | <u>86,900</u>             |

### 6. Tangible fixed assets

|                           | Solar<br>farm<br>plant &<br>machinery<br>£ |
|---------------------------|--|
| <b>Cost</b>               |  |
| Additions                 | 12,267,431                                 |
| Reclassification/transfer | <u>86,900</u>                              |
| At 31 December 2016       | <u>12,354,331</u>                          |
| <b>Depreciation</b>       |  |
| Charge for period         | <u>428,315</u>                             |
| At 31 December 2016       | <u>428,315</u>                             |
| <b>Net book value</b>     |  |
| At 31 December 2016       | <u>11,926,016</u>                          |

## Hale Farm Solar Limited

### Notes to the financial statements - continued For The Period 1 October 2015 to 31 December 2016

#### 7. Debtors: amounts falling due within one year

|                                 | 31/12/16       | 30/09/15         |
|---------------------------------|----------------|------------------|
|                                 | £              | £                |
| Trade debtors                   | 22,163         | -                |
| Prepayments                     | 35,091         | -                |
| Accrued income                  | 436,309        | -                |
| Other debtors                   | 51,113         | 51,477           |
| Deferred tax asset              | 78,284         | -                |
| Amounts owed by group companies | <u>30,000</u>  | <u>5,337,022</u> |
|                                 | <u>652,960</u> | <u>5,388,499</u> |

Amounts owed by group companies are repayable on demand. Refer to note 10.

#### 8. Creditors: amounts falling due within one year

|                                 | 31/12/16          | 30/09/15         |
|---------------------------------|-------------------|------------------|
|                                 | £                 | £                |
| Trade creditors                 | 19,461            | 58,024           |
| VAT                             | 8,935             | -                |
| Accruals                        | 1,012,443         | 5,000            |
| Other creditors                 | 66,406            | -                |
| Amounts owed to group companies | <u>11,624,375</u> | <u>5,453,220</u> |
|                                 | <u>12,731,620</u> | <u>5,516,244</u> |

Amounts owed to group companies are repayable on demand. Refer to note 10.

#### 9. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

|                            | 31/12/16         | 30/9/15          |
|----------------------------|------------------|------------------|
|                            | £                | £                |
| Within one year            | 68,145           | 68,145           |
| Between one and five years | 272,580          | 272,580          |
| In more than five years    | <u>1,264,510</u> | <u>1,350,018</u> |
|                            | <u>1,605,235</u> | <u>1,690,743</u> |

**Notes to the financial statements - continued**  
**For The Period 1 October 2015 to 31 December 2016**

**10. Related party disclosures**

At the period end, the Company has an outstanding interest free intercompany loan from another group company, RI Income UK Holdings Limited of £2,401,709 (30 September 2015: £5,337,022) and an outstanding interest bearing loan from BRI Finance UK Limited of £8,946,516 (30 September 2015: £nil). This loan accumulated interest during the period of £460,858 (30 September 2015: £nil), £414,532 of which was repaid during the period.

In addition to the above funding, there are three short term intercompany balances. The first being amount due to Denzell Downs Limited of £81,997 (30 September 2015: £nil) having paid VAT on behalf of the Company as part of VAT group registration arrangement.

The second intercompany balance owed to Mynydd Portref Limited of £62,077 (30 September 2015: £nil ) arising from expenses being paid on behalf of the Company by Mynydd Portref Limited.

Finally, the third intercompany balance was owed by Chalgrove Limited of £30,000 (30 September 2015: £nil) due to expenses paid on behalf of Chalgrove Limited.

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**11. Ultimate controlling party**

The ultimate parent undertaking and controlling party is considered to be Renewable Income UK, a sub-fund of Blackrock Infrastructure Funds Public Limited Company, an investment company registered in Ireland which accounts for investments at fair value and does not prepare consolidated financial statements.

The immediate parent company as at 31 December 2016 is RI UK Solar Holdings Limited, an investment company registered in England & Wales which accounts for investments at fair value and does not prepare consolidated financial statements. The accounts are available from the registered office at 12 Throgmorton Avenue, London, EC2N 2DL.

## Hale Farm Solar Limited

### Notes to the financial statements - continued For The Period 1 October 2015 to 31 December 2016

#### 12. Deferred tax

|                    |               |
|--------------------|---------------|
|                    | 31/12/16      |
|                    | £             |
| Deferred tax asset | <u>78,284</u> |

The gross movement on the deferred tax account is:

|                                |               |
|--------------------------------|---------------|
| Balance at 1 October           | -             |
| Credit profit and loss account | <u>78,284</u> |

|                        |               |
|------------------------|---------------|
| Balance at 31 December | <u>72,284</u> |
|------------------------|---------------|

Deferred tax is provided as follows:

|   |               |
|---|---------------|
| Depreciation in advance of capital allowances | <u>78,284</u> |
|   | <u>78,284</u> |

#### 13. Information regarding directors and employees

The Company has no employees (30 September 2015: Nil). None of the directors received any remuneration from the Company during the period (30 September 2015: Nil). Services are provided to the Company through a third party asset management agreement.