

REGISTERED NUMBER: 08151512 (England and Wales)

Report of the Directors and
Financial Statements for the Year Ended 31 December 2016
for
KS SPV 24 Limited



KS SPV 24 Limited

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for the Year Ended 31 December 2016

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KS SPV 24 Limited

Company Information
for the Year Ended 31 December 2016

DIRECTORS:

Ms R J Cranna
Mr A F Muro
Mr C G Dandanell

REGISTERED OFFICE:

Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

REGISTERED NUMBER:

08151512 (England and Wales)

AUDITORS:

KPMG LLP
Chartered Accountants
Arlington Business Park
Theale
Reading
RG7 4SD

KS SPV 24 Limited

Report of the Directors for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was electricity generation using solar technology.

EVENTS AFTER THE REPORTING DATE

On 11 May 2017 TerraForm UK2 Intermediate Holdings Limited, the parent company of the Terraform UK group, of which KS SPV 24 Limited is a 100% owned subsidiary was sold to Vortex Solar UK Limited.

DIRECTOR

Directors holding office during the year are as follows:

Ms R J Cranna; resigned on 11 May 2017.

Other changes in directors holding office are as follows:

Mr A F Muro was appointed as a director on 20 February 2017 prior to the date of this report; resigned on 11 May 2017.

Mr C G Dandanell was appointed as a director on 11 May 2017 prior to the date of this report.

GOING CONCERN

Having reviewed the company's current position and cash-flow projections for the next twelve months, the directors believe the company is well placed to manage its business risks.

The financial statements have been prepared on the going concern basis. At year end the company had net liabilities of £1,726,542 (31 December 2015: £1,261,453).

Subsequent to the year end, on 11 May 2017, Terraform UK2 Intermediate Holdings Limited, the UK parent company of the Terraform UK group of which KS SPV 24 Limited is a 100% owned subsidiary, was sold to Vortex Solar UK Limited. Vortex Solar UK Limited's ultimate parent company is Tenaga Nasional Berhad (50% shareholding) and EFG-Hermes Holding S.A.E. (50% shareholding).

The company is dependent upon the funds provided by Vortex Solar UK Limited. At the year end, there are amounts due to the immediate parent company, SunE Green Holdco4 Limited by KS SPV 24 Limited of £10,665,942 (31 December 2015: £10,993,704). Vortex Solar UK Limited has agreed to provide support for the company at least for a period of 12 months from the date of approval of these financial statements, through the conversion of outstanding intercompany loans to equity contributions, or the agreement not to demand the repayment of such intercompany loans to support the Company as a going concern.

This undertaking is to remain in force for a period of at least 12 months from the date of approval of these financial statements.

Accordingly, they adopt the going concern basis in preparation of the financial statements.

RESULTS FOR THE YEAR

During the year under review the company made a loss of £465,089.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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 auditor is unaware, and directors have taken all the 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.

KS SPV 24 Limited

Report of the Directors
for the Year Ended 31 December 2016

AUDITORS

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

SMALL COMPANY EXEMPTION

In preparing this report, the directors have taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 not to provide a Strategic report.

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:



Mr. C.G. Dandanell - Director

Date: 27 June 2017

Statement of Directors' Responsibilities
for the Year Ended 31 December 2016

The directors are responsible for preparing the Director's 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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the Independent Auditors to the Members of
KS SPV 24 Limited

We have audited the financial statements of KS SPV 24 Limited for the year ended 31 December 2016 on pages six to twenty six. 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 4, 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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Report of the Directors for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Report of the Directors:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

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 and take advantage of the small companies exemption from the requirement to prepare a strategic report.



James Ledward (Statutory Auditor)
for and on behalf of KPMG LLP
Chartered Accountants
Arlington Business Park
Theale
Reading
RG7 4SD

Date: 28 June 2017

KS SPV 24 Limited

Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 31 December 2016

	Notes	31/12/16 £	31/12/15 £
CONTINUING OPERATIONS			
Revenue		1,016,027	1,161,367
Cost of sales		(119,715)	(112,475)
GROSS PROFIT		896,312	1,048,892
Administrative expenses		(491,924)	(469,191)
OPERATING PROFIT		404,388	579,701
Net finance costs	4	(766,341)	(847,323)
LOSS BEFORE INCOME TAX	5	(361,953)	(267,622)
Income tax	6	(103,136)	25,399
LOSS FOR THE YEAR		(465,089)	(242,223)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME			
FOR THE YEAR		(465,089)	(242,223)

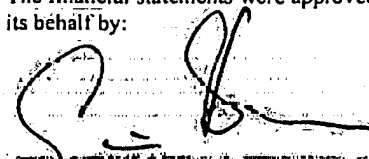
The notes form part of these financial statements

KS SPV 24 Limited (Registered number: 08151512)

Statement of Financial Position
31 December 2016

	Notes	31/12/16 £	31/12/15 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	9,000,916	9,360,032
Deferred tax	15	177,046	
		<u>9,177,992</u>	<u>9,360,032</u>
CURRENT ASSETS			
Trade and other receivables	8	112,300	366,380
Cash and cash equivalents	9	259,954	602,493
		<u>372,254</u>	<u>968,873</u>
TOTAL ASSETS		<u><u>9,550,246</u></u>	<u><u>10,328,905</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	10	2	2
Retained deficit	11	(1,726,544)	(1,261,455)
TOTAL EQUITY		<u>(1,726,542)</u>	<u>(1,261,453)</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	14	490,773	478,692
CURRENT LIABILITIES			
Trade and other payables	12	10,786,015	11,111,666
TOTAL LIABILITIES		<u>11,276,788</u>	<u>11,590,358</u>
TOTAL EQUITY AND LIABILITIES		<u><u>9,550,246</u></u>	<u><u>10,328,905</u></u>

The financial statements were approved by the Board of Directors on 27 June 2017 and were signed on its behalf by:


Mr CG Dandanell - Director

The notes form part of these financial statements

KS SPV 24 Limited

Statement of Changes in Equity
for the Year Ended 31 December 2016

	Called up share capital £	Retained deficit £	Total equity £
Balance at 1 January 2015	2	(1,019,232)	(1,019,230)
Changes in equity			
Total comprehensive income	-	(242,223)	(242,223)
Balance at 31 December 2015	<u>2</u>	<u>(1,261,455)</u>	<u>(1,261,453)</u>
Changes in equity			
Total comprehensive income	-	(465,089)	(465,089)
Balance at 31 December 2016	<u>2</u>	<u>(1,726,544)</u>	<u>(1,726,542)</u>

The notes form part of these financial statements

KS SPV 24 Limited

Statement of Cash Flows
for the Year Ended 31 December 2016

		31/12/16 £	31/12/15 £
Cash flows from operating activities			
Cash generated from operations	1	712,872	879,580
Interest paid		(1,055,656)	(4,162)
Interest received		245	-
Net cash from operating activities		<u>(342,539)</u>	<u>875,418</u>
Cash flows from investing activities			
Reclassification of tangible fixed asset		-	278,925
Net cash from investing activities		<u>-</u>	<u>278,925</u>
Cash flows from financing activities			
Intercompany repayments		-	(849,111)
Net cash from financing activities		<u>-</u>	<u>(849,111)</u>
(Decrease)/increase in cash and cash equivalents		<u>(342,539)</u>	<u>305,232</u>
Cash and cash equivalents at beginning of year	2	602,493	297,261
Cash and cash equivalents at end of year	2	<u><u>259,954</u></u>	<u><u>602,493</u></u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows
for the Year Ended 31 December 2016

1. **RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	31/12/16	31/12/15
	£	£
Loss before income tax	(361,953)	(267,622)
Depreciation charges	343,623	345,086
Net finance costs	766,341	847,323
	<u>748,011</u>	<u>924,787</u>
(Increase)/decrease in trade and other receivables	(26,102)	218,724
Decrease in trade and other payables	(9,037)	(263,931)
Cash generated from operations	<u><u>712,872</u></u>	<u><u>879,580</u></u>

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 2016

	31/12/16	1/1/16
	£	£
Cash and cash equivalents	<u>259,954</u>	<u>602,493</u>

Year ended 31 December 2015

	31/12/15	1/1/15
	£	£
Cash and cash equivalents	<u>602,493</u>	<u>297,261</u>

The notes form part of these financial statements

1. GENERAL INFORMATION

KS SPV 24 Limited (Registration no. 08151512) is a private limited company incorporated and domiciled in England. The address of the company's registered office is Eversheds House, 70 Great Bridgewater Street, Manchester, M1 5ES.

The principal activity of the company during the year under review was the generation of electricity using solar technology.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRSs") and IFRIC interpretations and with those appropriate parts of the Companies Act 2006. The accounting policies set out below have, unless otherwise stated, been applied consistently in all periods presented in these financial statements. The financial statements have been prepared under historical cost convention.

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.

Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off the cost less residual value of each asset over its estimated useful life.

Plant and machinery - Straight line over 30 years

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.

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

Depreciation commences when an asset is available for use.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. **ACCOUNTING POLICIES - continued**

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the statement of the Profit or Loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Decommissioning provision

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

Any changes in the present value of the estimated expenditure is added to or deducted from the cost of the 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

The carrying amount 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.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

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.

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 or 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.

Derecognition 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 derecognised 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 uncollectable amounts.

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.

Financial liabilities

Loans and accounts payables are classified as financial liabilities and are subsequently measured at amortised cost. Gains and losses are recognised in the statement of Profit & Loss 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 statement of Profit & Loss. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

2. ACCOUNTING POLICIES - continued

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.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and deposits at reporting date.

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 statement of Profit or Loss.

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.

Borrowing costs

Borrowing costs are expensed as incurred as the construction of the solar plant does not meet the definition of a qualifying asset as these assets do not take a substantial period of time to construct for their intended use.

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 intercompany loans.

Going concern

The ultimate parent company at the date of signing these financial statements, Vortex Solar UK Limited has confirmed through providing a letter of support to the Company, that for at least 12 months from the date of approval of the financial statements, they will make available such funds as are needed by the Company to enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

Accordingly, they adopt the going concern basis in preparation of the financial statements.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. **ACCOUNTING POLICIES - continued**

Significant accounting estimates and assumptions

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years. The most critical accounting policies and estimates in determining the financial condition and results of the company are those requiring a greater degree of subjective or complete judgement.

Revenue relating to the accrued income for ROCs

The number of Renewable Obligations Certificates (ROCs) are calculated each month based on the number of mega-watts of power exported. The ROC price is fixed for each Compliance Period and is published in advance by Ofgem. The ROC recycle price is not published until September following the accounting year end and thus management estimate the price. Management monitor the total UK renewable generation on a quarterly basis to ensure this assumption remains reasonable.

Capitalisation and depreciation of property, plant and equipment, including decommissioning costs

As part of the measurement and recognition of assets and liabilities in 2016, the company has recognised a provision for decommissioning obligations associated with the 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. The carrying amount of the provision as at 31 December 2016 was £490,773.

Deferred tax

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.

Adopted IFRSs not yet applied

The following Adopted IFRSs have been issued, but not effective for the financial year ended 31 December 2016, have not been applied in these financial statements. The company intends to adopt:

- IAS 12	Amendments to recognition of Deferred Tax Assets	1 January 2017
- IAS 7	Disclosure Amendments	1 January 2017
- IFRS 9	Financial Instruments	1 January 2018
- IFRS 15	Revenue from Contracts with Customers	1 January 2018
- IFRS 16	Leases	1 January 2019
-	Clarification of Acceptable Methods of Depreciation and Amortization - Amendments to IAS 16 and IAS 38	

The directors do not anticipate that the adoption of the above standards and interpretations will have a material impact on the company's financial statements in the period of initial application, except for IFRS16 where the impact is being assessed.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

3. **EMPLOYEES AND DIRECTORS**

The company has no employees, hence there were no staff costs for the year ended 31 December 2016.

Directors' Remuneration:

The directors of the company are remunerated by another group company and have no identifiable qualifying services for this company.

4. **NET FINANCE COSTS**

	31/12/16 £	31/12/15 £
Net finance costs:		
Bank fees	1,518	4,162
Interest payable	737,478	806,135
Finance income	(245)	-
Unwinding of discount	27,544	37,026
Foreign exchange (gain)/loss	46	-
	<u>766,341</u>	<u>847,323</u>

Interest payable amounts incurred during the year represent intercompany loan notes with the company's holding company SunE Green Holdco4 Limited at an interest rate of 7.5%, please see note 17.

5. **LOSS BEFORE INCOME TAX**

The loss before income tax is stated after charging:

	31/12/16 £	31/12/15 £
Depreciation - owned assets	343,623	345,086
Auditor's remuneration	<u>10,000</u>	<u>10,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

6. INCOME TAX

Tax charges in income statement	31/12/16	31/12/15
	£	£
Current tax at 20%/18%		
Current year tax expense	-	-
Over/(under) provided in prior years	-	-
Current tax (expense) / income	-	-
Deferred tax		
Recognition of net operating losses	110,085	92,962
Origination and reversal of temporary differences	(45,992)	(42,085)
Changes in tax rates	(16,824)	(25,478)
Adjustments in respect of previous period	(150,405)	-
Deferred tax (expense)/income	(103,136)	25,399
Total tax (charge)/credit in income statement	(103,136)	25,399
Reconciliation of the effective tax rate	31/12/16	31/12/15
	£	£
Loss for the year	(465,089)	(242,223)
Total tax (expense)/income	(103,136)	25,399
Loss before taxation	(361,953)	(267,622)
Tax using the UK corporation tax rate of 20%/18%	72,390	48,172
Reduction of tax rate on deferred tax balances	(16,824)	(22,773)
Adjustments in respect of prior years	(150,405)	-
Non-deductible expenses	(8,296)	-
Rounding	(1)	-
Total tax (expense)/income	(103,136)	25,399

Factors that may affect future tax charges

A reduction in UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015 (this will reduce the company's future current tax charge accordingly). A further rate reduction to 17%, effective from 1 April 2020, was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2016 has been calculated using these rates.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

7. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery £	Decommissioning assets £	Totals £
COST			
At 1 January 2015	10,178,429	602,056	10,780,485
Change in estimate	-	(181,021)	(181,021)
Disposal	(278,925)	-	(278,925)
At 31 December 2015	9,899,504	421,035	10,320,539
At 1 January 2016	9,899,504	421,035	10,320,539
Change in estimate	-	(15,463)	(15,463)
At 31 December 2016	9,899,504	405,572	10,305,076
DEPRECIATION			
At 1 January 2015	603,269	12,152	615,421
Charge for the year	324,253	20,833	345,086
At 31 December 2015	927,522	32,985	960,507
At 1 January 2016	927,522	32,985	960,507
Charge for the year	329,983	13,640	343,623
At 31 December 2016	1,257,505	46,625	1,304,130
NET BOOK VALUE			
At 31 December 2016	8,641,999	358,947	9,000,946
At 31 December 2015	8,971,982	388,050	9,360,032

8. TRADE AND OTHER RECEIVABLES

	31/12/16 £	31/12/15 £
Current:		
Deferred Tax Asset	-	280,182
Prepayments and accrued income	112,300	86,198
	112,300	366,380

In prior year financial statements, Deferred tax was allocated to Trade and other receivables, whereas in current year this has been reallocated to Non-current assets.

9. CASH AND CASH EQUIVALENTS

	31/12/16 £	31/12/15 £
Bank accounts	259,954	602,493

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31/12/16	31/12/15
Number:	Class:		£	£
2	Ordinary Shares	1.00	2	2

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

11. RESERVES

	Retained Deficit £
At 1 January 2016	(1,261,455)
Total comprehensive loss for the year	(465,089)
At 31 December 2016	(1,726,544)

12. TRADE AND OTHER PAYABLES

	31/12/16 £	31/12/15 £
Current:		
Trade creditors	6,589	10,130
Intercompany payable	9,849,665	9,833,030
Intercompany interest	844,060	1,160,674
Accruals	23,390	48,201
VAT	62,311	59,631
	<u>10,786,015</u>	<u>11,111,666</u>

Terms and Conditions of the above Intercompany payable - see note 17

13. LEASING AGREEMENTS

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

	31/12/16 £	31/12/15 £
Within one year	51,530	51,530
Between one and five years	206,119	206,119
In more than five years	901,769	953,299
	<u>1,159,418</u>	<u>1,210,948</u>

The company is committed to the payments shown above. The operating lease agreement shown above is in connection to land.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

14. PROVISIONS

Decommissioning provision	31/12/16 £	31/12/15 £
Opening provision	478,692	622,687
Unwinding of discount	27,544	37,026
Change in estimate	(15,463)	(181,021)
Closing provision	<u>490,773</u>	<u>478,692</u>

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 @ 5.83%.

15. DEFERRED TAX

Recognised deferred tax assets and liabilities

	Assets		Liabilities		Net	
	31/12/16 £	31/12/15 £	31/12/16 £	31/12/15 £	31/12/16 £	31/12/15 £
Property, plant and equipment	-	-	(374,458)	(327,488)	(374,458)	(327,488)
Tax value of loss carry-forwards	551,504	607,670	-	-	551,504	607,670
	<u>551,504</u>	<u>607,670</u>	<u>(374,458)</u>	<u>(327,488)</u>	<u>177,046</u>	<u>280,182</u>

Movement in deferred tax during the year

	31/12/16 £	31/12/15 £
Opening deferred tax assets	-	254,783
Current period movement	47,270	25,399
Adjustments in respect of prior periods	(150,406)	-
	<u>177,046</u>	<u>280,182</u>

The deferred tax asset at 31 December 2016 has been calculated based on the rate of 17% substantively enacted at the balance sheet date. All movements in deferred tax during the year have been recognised in the income statement. The company is expected to generate future taxable profits against which the deferred tax assets can be utilised.

16. CONTINGENT LIABILITIES

The director is not aware of any contingent liabilities at reporting date.

17. RELATED PARTY DISCLOSURES

There are no provisions against amounts receivable from related parties at 31 December 2016 and 31 December 2015.

During the year the company entered into transactions and had amounts outstanding, in the ordinary course of business, with the following related parties:

Year ended 31 December 2016

Due to	Due from	Transaction details	Transactions in the year Income/ (Expense) £	Amount as at 31/12/16 (Payable)/ Receivable £
SunE Green Holdco4 Ltd	KS SPV 24 Limited	Included in note 12 are unsecured amounts due to SunE Green Holdco4 Limited which are repayable on demand.	-	(9,833,031)
SunE Green Holdco4 Ltd	KS SPV 24 Limited	Interest is payable on the loan with SunE Green Holdco4 Limited at 7.5%. Included in note 12 within Intercompany interest payable are unsecured amounts repayable on demand.	(737,478)	(844,060)
KS SPV 24 Limited	SunE Green Holdco4 Ltd	Included in note 12 are amounts due to KS SPV 24 Limited in relation to invoices paid on behalf of SunE green Holdco4 Limited.	-	11,149
SunE Greenfield Ltd	KS SPV 24 Limited	Included in note 12 are amounts due to SunE Greenfield Ltd for Operations and Maintenance services provided to KS SPV 24 Ltd in the year. A termination agreement was signed on 25 November 2016 replacing SunE Greenfield Ltd as the Operations and Maintenance services provider. Amounts payable include handover fees payable to SunE Greenfield Ltd on termination.	(120,046)	(11,375)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

17. RELATED PARTY DISCLOSURES - continued

Due to	Due from	Transaction details	Transactions in the year Income/ (Expense) £	Amount as at 31/12/16 (Payable)/ Receivable £
Terraform Power Operating, LLC	KS SPV 24 Limited	Included in note 12 are amounts due to Terraform Power Operating, LLC for amounts paid on behalf of KS SPV 24 Ltd on termination of Operations and Maintenance agreement with SunE Greenfield Ltd.	-	(16,408)
			(857,524)	(10,693,725)

Year ended 31 December 2015

Due to	Due from	Transaction details	Transactions in the year Income/ (Expense) £	Amount as at 31/12/15 (Payable)/ Receivable £
SunE Green Holdco4 Ltd	KS SPV 24 Limited	Included in note 12 are unsecured amounts due to SunE Green Holdco4 Limited which are repayable on demand.	-	(9,833,030)
SunE Green Holdco4 Ltd	KS SPV 24 Limited	Interest is payable on the loan with SunE Green Holdco4 Limited at 7.5%. Included in note 12 within Intercompany interest payable are unsecured amounts repayable on demand.	(806,135)	(1,160,674)
SunE Greenfield Ltd	KS SPV 24 Limited	Included in note 12 are amounts due to SunE Greenfield Ltd for Operations and Maintenance services provided to KS SPV 24 Ltd in the year.	(61,460)	-
			(867,595)	(10,993,704)

18. FINANCIAL INSTRUMENT

Fair value category

The Financial assets held by the company at 31 December 2016 are categorised as receivables and Financial liabilities are categorised as accounts payable and other financial liabilities.

Fair value measurement

The fair values of the financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

	Carrying amount 31/12/16 £	Fair Value 31/12/16 £	Carrying amount 31/12/15 £	Fair Value 31/12/15 £
Financial assets:				
Trade and other receivables	112,300	112,300	366,380	366,380
Cash and cash equivalents	259,954	259,954	602,493	602,493
Financial liabilities				
Trade and other payables	92,290	92,290	117,962	117,962
Intercompany payable	10,693,725	10,693,725	10,993,704	10,993,704

The fair value of the financial assets and liabilities is included 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.

19. 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 risk, including foreign currency, commodity price, interest rate, inflation rate risks
- Credit risk
- Liquidity risk

This note presents 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 2016.

(b) Credit risk

The company's policies are aimed at minimising losses as a result of a 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.

(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 risk of a shortage of funds using projected cash flows and by monitoring the maturity of both its financial assets and liabilities.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

19. FINANCIAL RISK MANAGEMENT - continued

Year ended 31 December 2015

	On demand £	Less than 3 months £	3 to 12 months £	1 to 5 Periods £	>5 periods £	Total £
Financial Liabilities						
Trade and other payables	-	117,962	-	-	-	117,962
Intercompany payable	10,993,704	-	-	-	-	10,993,704

Year ended 31 December 2016

	On demand £	Less than 3 months £	3 to 12 months £	1 to 5 Periods £	>5 periods £	Total £
Financial Liabilities						
Trade and other payables	-	92,290	-	-	-	92,290
Intercompany payable	10,693,725	-	-	-	-	10,693,725

(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.

At 31 December 2016, the company had amounts due to group undertakings. The loan borrowings were with a related party. It had no financial assets other than other receivables and cash at bank. The fair value of trade payables approximated to their book value. Refer to note 18 for further detail.

20. EVENTS AFTER THE REPORTING PERIOD

On 11 May 2017 TerraForm UK2 Intermediate Holdings Limited, the parent company of the Terraform UK group of which KS SPV 24 Limited is a 100% owned subsidiary was sold to Vortex Solar UK Limited.

21. ULTIMATE CONTROLLING PARTY

At 31 December 2016, the Company's immediate parent company was SunE Green HoldCo4 Limited.

The Company's ultimate holding company was SunEdison, Inc. which is incorporated in the United States of America and listed on the New York stock exchange.

SunEdison, Inc. is the largest entity for which group financial statements at 31 December 2016 are reported, with its registered office and the address from which group financial statements can be obtained at 13736 Riverport Drive, Maryland Heights, Missouri, United States of America.

At the date of issuing these accounts, the Company's immediate parent company is SunE Green HoldCo4 Limited.

The Company's ultimate holding company is Tenaga Nasional Berhad (50% Shareholding) and EFG-Hermes Holding S.A.E. (50% Shareholding).

EFG Hermes Holding S.A.E. a listed company on Egyptian and London Stock Exchange, incorporated in the Arab Republic of Egypt, whose registered office is located at Building No. B129, Phase 3, Smart Village, Km 28 Cairo Alexandria Desert Road, 6 October, 12577.

Tenaga Nasional Berhad is a listed company on Kuala Lumpur Stock Exchange incorporated under the laws of Malaysia, whose registered office is located at Pejabat Setiausaha Syarikat, Tingkat 2, /bu Pejabat Tenaga Nasional Berhad, No.129, la/an Bangsar, 59200 Kuala Lumpur.