Registered number: 07286021

UK SOLAR PARKS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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COMPANIES HOUSE

UK SOLAR PARKS LIMITED

COMPANY INFORMATION

Directors	M J Cowell H W J Hanna S Lowry
Company secretary	TMF Corporate Administration Services Limited
Registered number	07286021
Registered office	5th Floor 6 St. Andrew Street London EC4A 3AE
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 3140 Rowan Place John Smith Drive Oxford Business Park South Oxford Oxfordshire OX4 2WB

UK SOLAR PARKS LIMITED

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of the entity is the generation and sale of renewable energy.

Results and dividends

The loss for the year, after taxation, amounted to £42,068 *(2016: loss £79,834)*.

Directors

The directors who served during the year were:

M J Cowell
H W J Hanna
S Lowry

Directors' Responsibilities Statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 and 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Going concern

The accounts have been prepared on a going concern basis. The directors have prepared forecasts and reviewed capital requirements for twelve months from the date of approving these financial statements, which indicate the business can continue to trade for at least twelve months.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27.06.2018 and signed on its behalf.

H W J Hanna
Director

Grant Thornton

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SOLAR PARKS LIMITED

Opinion

We have audited the financial statements of UK Solar Parks Limited for the year ended 31 December 2017, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).
In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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.

Matter on which we are required to report by the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Grant Thornton UK LLP.

Tracey James BA FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford
Date: 28/06/2018

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	*2016 £*
Turnover		**759,719**	*754,176*
Administrative expenses		**(402,574)**	*(398,740)*
Operating profit	5	**357,145**	*355,436*
Interest receivable and similar income	8	**500**	*501*
Interest payable and expenses	9	**(394,291)**	*(409,575)*
Loss before tax		**(36,646)**	*(53,638)*
Tax on loss	10	**(5,422)**	*(26,196)*
Total comprehensive loss for the year		**(42,068)**	*(79,834)*

There was no other comprehensive income for 2017 (2016:£NIL).

The accounting policies and notes on pages 9 to 18 form part of these financial statements.

UK SOLAR PARKS LIMITED
REGISTERED NUMBER:07286021

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note		2017 £		2016 £
Fixed assets					
Tangible assets	11		**5,339,975**		*5,603,677*
Current assets					
Debtors	12	**149,428**		*161,081*	
Cash at bank	13	**23,840**		*107,222*	
		173,268		*268,303*	
Creditors: amounts falling due within one year	14	**(53,712)**		*(86,013)*	
Net current assets			**119,556**		*182,290*
Total assets less current liabilities			**5,459,531**		*5,785,967*
Creditors: amounts falling due after more than one year	15		**(5,224,184)**		*(5,513,974)*
Deferred tax	17	**(31,618)**		*(26,196)*	
			(31,618)		*(26,196)*
Net assets			**203,729**		*245,797*
Capital and reserves					
Called up share capital	18		**3**		*3*
Share premium account	19		**402,149**		*402,149*
Profit and loss account	19		**(198,423)**		*(156,355)*
			203,729		*245,797*

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

H W J Hanna
Director

27.06.2018

The accounting policies and notes on pages 9 to 18 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	3	402,149	(156,355)	245,797
Total comprehensive loss for the year	-	-	(42,068)	(42,068)
At 31 December 2017	**3**	**402,149**	**(198,423)**	**203,729**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	3	402,149	(76,521)	325,631
Total comprehensive loss for the year	-	-	(79,834)	(79,834)
At 31 December 2016	**3**	**402,149**	**(156,355)**	**245,797**

The accounting policies and notes on pages 9 to 18 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

UK Solar Parks Limited is a limited liability company incorporated in England and Wales. Its registered head office is located at 5th Floor, 6 St. Andrew Street, London, EC4A 3AE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Turnover

Turnover comprises income receivable from the energy generated during the period. Any uninvoiced income is accrued in the period in which it has been generated.

2.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Other fixed assets	-	4% straight line

2.4 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.5 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2. Accounting policies (continued)

2.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2.7 Interest payable

Interest payable is solely attributable to the inter-company balances held during the period.

2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in profit or loss, when, and if, better information is obtained.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment within the next financial year are included below.

Critical judgements that management has made in the process of applying accounting policies disclosed herein and that have a significant effect on the amounts recognised in the financial statements relates to the following:

Deferred taxation
The assessment of the probability of future taxable income against which deferred tax assets can be utilised is based on the Group's latest budget and specific limits to the use of any unused tax loss or credit. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be used without a time limit, that deferred tax asset is usually recognised in full.

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

4. Turnover

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2017 £	*2016* *£*
Depreciation of tangible fixed assets	**263,702**	*263,702*
Other operating lease rentals	**35,393**	*37,039*

6. Auditor's remuneration

Audit services	**2,120**	*2,237*
Auditor's remuneration - non-audit	**1,525**	*1,495*
	3,645	*3,732*

7. Employees

The Company has no employees other than the directors, who did not receive any remuneration *(2016: £Nil)*.

8. Interest receivable

	2017	*2016*
	£	*£*
Interest receivable from group company	**500**	*501*

9. Interest payable and similar charges

	2017	*2016*
	£	*£*
Bank interest payable	**81**	*72*
Interest payable to Holding company	**394,210**	*409,503*
	394,291	*409,575*

10. Taxation

	2017 £	*2016 £*
Deferred tax		
Origination and reversal of timing differences	**31,360**	*26,196*
Adjustments in respect of previous periods	**(25,938)**	*-*
Total deferred tax	**5,422**	*26,196*

The Company has no tax liability for the period and there are tax losses of approximately £Nil (2016: £210,858) available to carry forward. The Company has not recognised a deferred tax asset in respect of any losses available to carry forward due to there being insufficient certainty regarding its recovery.

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2016: lower than)* the standard rate of corporation tax in the UK of 19.25% *(2016: 20%)*. The differences are explained below:

	2017 £	*2016 £*
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	**(7,054)**	*(10,728)*
Effects of:		
Expenses not deductible for tax purposes	**13,262**	*17,537*
Adjustments to deferred tax charge in respect of prior periods	**(25,938)**	*-*
Adjust deferred tax to average rate	**(4,144)**	*-*
Deferred tax not recognised	**-**	*(6,781)*
Other differences leading to an increase (decrease) in the tax charge	**1**	*1*
Group relief	**29,295**	*26,167*
Total tax charge for the year	**5,422**	*26,196*

11. Tangible fixed assets

	Other fixed assets £
Cost or valuation	
At 1 January 2017	**6,592,561**
At 31 December 2017	**6,592,561**
Depreciation	
At 1 January 2017	**988,884**
Charge for the year on owned assets	**263,702**
At 31 December 2017	**1,252,586**
Net book value	
At 31 December 2017	**5,339,975**
At 31 December 2016	*5,603,677*

12. Debtors

	2017 £	2016 £
Trade debtors	**43,057**	*14,142*
Amounts owed by group undertakings	**25,000**	*25,000*
Prepayments and accrued income	**81,371**	*121,939*
	149,428	*161,081*

13. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	**23,840**	*107,222*

14. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	**6,025**	*7,229*
Amounts owed to group undertakings	**23,020**	*19,435*
Other taxation and social security	**18,133**	*54,145*
Other creditors	**6,534**	*5,204*
	53,712	*86,013*

15. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Amounts owed to group undertakings	**5,224,184**	*5,513,974*

16. Financial instruments

	2017 £	*2016* *£*
Financial assets		
Financial assets measured at amortised cost	**158,435**	*254,538*
Financial liabilities		
Financial liabilities measured at amortised cost	**(5,261,616)**	*(5,545,842)*

Financial assets measured at amortised cost comprise cash, trade and other debtors, amounts receivable from group undertakings, and accrued income.

Financial liabilities measured at amortised cost comprise trade and other payables, amounts payable to group companies, and accruals.

17. Deferred taxation

	2017 £
At beginning of year	**(26,196)**
Charged to profit or loss	**(5,422)**
At end of year	**(31,618)**

The provision for deferred taxation is made up as follows:

	2017 £	*2016* *£*
Accelerated capital allowances	**(31,618)**	*(26,196)*

18. Share capital

	2017 £	*2016* *£*
Authorised, allotted, called up and fully paid		
3,000 Ordinary shares of £0.001 each	**3**	*3*

19. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium.

Profit and loss account

Included's all current and prior period retained profits and losses.

20. Contingent liabilities

At the year end there was a contingent liability by virtue of the fact that a bank loan held by McEwan Solar Holdco (1) Limited is secured by a fixed and floating charge over the assets of this company. At the year end the value of the bank loan was £25,812,639 *(2016: £27,244,990)*. This loan is split between two balances, £22,442,141 and £3,370,498 *(2016: £22,439,567 and £4,805,422)*, which are charged at an interest rate of 5.05% and 4.03%, respectively.

21. Commitments under operating leases

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	*2016* *£*
Not later than 1 year	**34,982**	*34,982*
Later than 1 year and not later than 5 years	**139,928**	*139,928*
After more than 5 years	**717,131**	*717,131*

22. Related party transactions

As a wholly owned subsidiary, the company is exempt from the requirements of FRS102 section 33 to disclose the transactions with other members of the group headed by McEwan Solar Topco (1) Limited on the grounds that the consolidated accounts of that company are publicly available from Companies House.

23. Post balance sheet events

There have been no significant events affecting the Company since the year end.

24. Controlling party

UK Solar Parks Limited is a wholly owned subsidiary of McEwan Skylark Holdco Limited, a company incorporated in England and Wales.

The directors consider the Ultimate Parent Undertaking to be McEwan Solar Lux SARL, a company incorporated in Luxembourg, as the head of a group within which UK Solar Parks Limited is a part.