Wellingborough Solar Limited

Directors' Report and Audited Financial Statements

for the year ended 31 March 2016

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Company Number: 08639521

Wellingborough Solar Limited
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Wellingborough Solar Limited
DIRECTORS AND OTHER INFORMATION

Directors	Ross Grier (appointed 17 June 2015) Juliet Guerri (appointed 17 June 2015) Elizabeth Drummond (resigned 17 June 2015) Mark Fitzgerald (resigned 17 June 2015) Paul Michael Gumbley (resigned 17 June 2015) Stephen William Mahon (resigned 17 June 2015) Noel McSherry (resigned 17 June 2015) Gary Simon Randall (resigned 17 June 2015)
Company Number	08639521
Registered Office and Business Address	5th Floor North Side 7-10 Chandos Street Cavendish Square London W1G 9DQ
Accountants	Augentius (UK) Ltd Two London Bridge London SE1 9RA
Bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN

Wellingborough Solar Limited
DIRECTORS' REPORT
for the year ended 31 March 2016

The directors present their report and the audited financial statements of Wellingborough Solar Limited (the "Company") for the year ended 31 March 2016.

Business Review and Principal Activity
The principal activities of the Company are the development of solar photovoltaic (Solar PV) projects and the generation and supply of electricity from a solar photovoltaic site. Specifically, this involves feasibility and planning in terms of sourcing sites and grid access, licensing and permitting procedures, technology selection and system design, working with funding partners to structure equity and debt finance, the supervision of system construction and implementation, and the supervision of operations, maintenance, site security and administration.

The Company is committed to project implementation excellence, the provision of long term clean energy projects, environmentally sensitive developments for the local community, and long term sustainable returns to investors.

The Company is exposed to a variety of financial and operational risks as detailed in Note 14 of the notes to the financial statements.

Results and Dividends
The profit for the year after providing for taxation amounted to £645,548 (loss for the period ended 31 March 2015: £903,647). No dividends were declared during the year (for the period ended 31 March 2015: £nil).

Future Developments
The directors have no planned developments and have a reasonable expectation that the Company will continue operating in the foreseeable future. For the detailed assessment refer to page 12.

Directors
The directors who served during the year, and up to the date of signing the financial statements, are as follows:

Ross Grier (appointed 17 June 2015)
Juliet Guerri (appointed 17 June 2015)
Elizabeth Drummond (resigned 17 June 2015)
Mark Fitzgerald (resigned 17 June 2015)
Paul Michael Gumbley (resigned 17 June 2015)
Stephen William Mahon (resigned 17 June 2015)
Noel McSherry (resigned 17 June 2015)
Gary Simon Randall (resigned 17 June 2015)

On 17 June 2015 shareholding of the Company transferred from the original Shareholders of Wellingborough Solar Limited to NextEnergy Solar Holdings Limited. There were no changes in shareholdings between 31 March 2016 and the date of signing the financial statements. Refer to Note 15 for more detail.

Political Contributions
The Company did not make any disclosable political donations in the current year.

Wellingborough Solar Limited
STATEMENT OF DIRECTORS' RESPONSIBILITIES
for the year ended 31 March 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' (FRS 102)). 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; 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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they 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 auditors are aware of that information.

Independent auditors
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the Board

Ross Grier
Director
9th December 2016

Independent auditors' report to the members of Wellingborough Solar Limited

Report on the financial statements

Our opinion

In our opinion, Wellingborough Solar Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit and cash flows 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.

What we have audited

The financial statements, included within the Directors' Report and Audited Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 March 2016;
- the Income Statement for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

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

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Other matter

The financial statements for the period ended 31 March 2015, forming the corresponding figures of the financial statements for the year ended 31 March 2016, are unaudited.

John Dashwood (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
9th December 2016

Wellingborough Solar Limited
INCOME STATEMENT
for the year ended 31 March 2016

	Note	01 April 15 to 31 Mar 16	01 July 14 to 31 Mar 15 (Unaudited and restated)
		£	£
Revenue	2	**915,009**	**72,441**
Operating expenses	3	(418,391)	(718,395)
Depreciation	7	(459,085)	(262,759)
Operating Profit / (Loss)		**37,533**	**(908,713)**
Other income		740,889	9,525
Finance costs	5	(374)	(275)
Decommissioning interest	12	(24,174)	(4,184)
Profit / (Loss) on ordinary activities before taxation		**753,874**	**(903,647)**
Tax on ordinary activities	6	(108,326)	-
Profit / (Loss) for the year / period after taxation		**645,548**	**(903,647)**

Other income includes £691,000 of liquidated damages relating to the Engineering Procurement Contract (EPC). The liquidated damages arose when the EPC contractors did not fulfil their obligations towards the Company.

The Company has no recognised gains or losses other than the profit for the year. The results for the year have been calculated on an historical cost basis. The Company's revenue and expenses all relate to continuing operations.

The accounting policies and the notes on pages 12 to 24 form an integral part of the financial statements

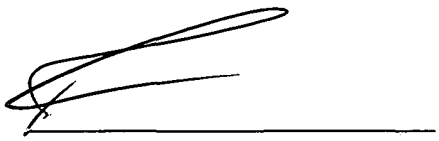
Wellingborough Solar Limited
Company Number: 08639521

STATEMENT OF FINANCIAL POSITION
as at 31 March 2016

	Note	31 Mar 16	31 Mar 15 (Unaudited and restated)
		£	£
Fixed assets			
Property, plant & equipment	7	8,422,785	7,511,549
		8,422,785	7,511,549
Current assets			
Cash at bank and in hand		422,124	261,157
Debtors	8	245,622	1,062,910
		667,746	1,324,067
Creditors: amounts falling due within one year	9	(946,432)	(636,479)
Financial liabilities	11	(7,064,952)	(8,276,375)
Net current liabilities		**(7,343,638)**	**(7,588,787)**
Total assets less current liabilities		**1,079,147**	**(77,238)**
Provisions for liabilities and charges	12	(654,498)	(143,661)
Net assets / (liabilities)		**424,649**	**(220,899)**
Equity			
Called up share capital	15	920,644	920,644
Other reserves		(92,064)	(92,064)
Accumulated losses		(403,931)	(1,049,479)
Shareholders' funds / (deficit)		**424,649**	**(220,899)**

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board and authorised for issue on 9th December 2016 **and signed on its behalf by**



Ross Grier
Director

The accounting policies and the notes on pages 12 to 24 form an integral part of the financial statements

Wellingborough Solar Limited
STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2016

	Called up share capital £	Other reserves £	Accumulated losses £	Total £
Shareholders' equity at 1 July 2014 (unaudited)	**920,644**	**(92,064)**	**(145,832)**	**682,748**
Loss for the period (unaudited and restated)	-	-	(903,647)	(903,647)
Shareholders' equity at 31 March 2015 (unaudited and restated)	**920,644**	**(92,064)**	**(1,049,479)**	**(220,899)**
Profit for the year	-	-	645,548	645,548
Shareholders' equity at 31 March 2016	**920,644**	**(92,064)**	**(403,931)**	**424,649**

Wellingborough Solar Limited
STATEMENT OF CASH FLOWS
for the year ended 31 March 2016

	01 April 15 to 31 Mar 16	01 July 14 to 31 Mar 15 (Unaudited and restated)
	£	£
Cash flow from operating activities		
Profit / (Loss) for the year / period	645,548	(903,647)
Tax expense	108,326	-
Finance costs	374	275
Depreciation on tangible assets	459,085	262,759
Decommisioning interest	24,174	4,184
Operating cash flow before movements in working capital	**1,237,507**	**(636,429)**
Changes in Working Capital		
Decrease / (Increase) in debtors	817,288	(32,895)
Increase in creditors	201,627	795,305
Net cash generated from operating activities	**2,256,422**	**125,981**
Cash flow from investing activities		
Purchase of tangible assets	(883,658)	(10,418)
Net cash used in investing activities	**(883,658)**	**(10,418)**
Cash flow from financing activities		
Funds paid to parent undertaking	(1,211,423)	(10,954)
Interest paid	(374)	(275)
Net cash used in financing activities	**(1,211,797)**	**(11,229)**
Net increase in cash and cash equivalents during the year / period	160,967	104,334
Cash and cash equivalents at the beginning of the year / period	261,157	156,823
Cash and cash equivalents at the end of the year / period	**422,124**	**261,157**
Cash and cash equivalents consists of:		
Cash at bank and in hand	**422,124**	**261,157**

Wellingborough Solar Limited
ACCOUNTING POLICIES
for the year ended 31 March 2016

General information
Wellingborough Solar Limited (the "Company") was incorporated with limited liability in England & Wales under the Companies Act 2006, on 6 August 2013 with registered number 08639521. The registered office and principal place of business of the Company is 5th Floor North Side, 7-10 Chandos Street, Cavendish Square, London, W1G 9DQ.

Transition to FRS 102 and basis of preparation
The financial statements have been prepared in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

The Company transitioned to FRS 102 from UK Generally Accepted Accounting Practice (UK GAAP) as at 1 April 2015. As this is the first period in which the financial statements have been prepared under this standard the directors have assessed the impact of the transition from UK GAAP to FRS 102 and found that there has been no impact on the Company's financial statements as a result of this transition. As such, a transitional note for first time adoption has not been presented.

The financial statements continue to be prepared under the historical cost model and in accordance with the Companies Act 2006.

The Company's functional and presentational currency is the pound Sterling.

Going concern
The directors believe that the Company is well placed to manage its business risks successfully. Having reviewed the Company's current position and cash flow projections and given the continued financial support provided by NextEnergy Solar Holdings Limited, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Exemptions under FRS 102
The Company has also adopted the following disclosure exemptions:
Strategic Report: Companies Act Strategic Report exemption for small companies.

Revenue
Revenue represents monies from the generation of energy from operational solar parks during the year. Any uninvoiced revenue 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.

Revenue relating to accrued income for ROC and LEC
The number of Renewable Obligation Certificates ("ROC") and Levy Exempt Certificates ("LEC") are calculated each month based on the net number of megawatts of power exported. The ROC price is fixed for each Compliance Year which runs from 1 April to 31 March and is published in advance by Ofgem. The LEC is an exemption to the Climate Change Levy which is published in advance of the tax year by HMRC. The ROC recycle price is not published until September following the accounting year end and thus management estimate the price. Management has adopted the policy of recognising ROC revenue monthly, based on the price for the relevant compliance period.

Effective 31 July 2015, no revenue was accrued or recognised for LEC following the Government's revocation of the Climate Change Levy from which LEC were derived.

Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost less accumulated depreciation. The charge to depreciation is calculated to write down the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Solar PV Equipment	- 4% Straight line
Inverters	- 10% Straight line

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

The Company revised the estimated residual values of the solar park by changing the useful life of inverters from 15 years to 10 years. This was in recognition of what is considered industry standard of useful life for inverters. The revisions were accounted for prospectively as a change in accounting estimates and as a result, the depreciation charge of the Company for the current financial year end have increased by £82,215.

Subsequent additions and major components
Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated differently over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Derecognition
Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement and included in 'Other operating (losses)/gains'.

Cash and cash equivalents
Cash and cash equivalents include cash at bank and in hand.

Impairment of non-financial assets
At each statement of financial position date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the income statement, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

Impairment of non-financial assets (continued)
If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the income statement.

Provisions for liabilities and charges
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 assets 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. The estimated future costs of decommissioning are reviewed annually and adjusted for as appropriate.

Financial instruments
The Company has chosen to adopt sections 11 and 12 of FRS 102 in respect of the financial instruments.

Financial instruments recognised on the statement of financial position include debtors, cash at bank and in hand, creditors and other financial assets/liabilities.

Initial recognition and measurement:
Financial assets and financial liabilities are recognised in the statement of financial position 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 recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset or financial liability. Subsequent measurement and impairment for each classification is specified in the sections below.

All regular purchases and sales of financial assets are recognised on the trade date i.e. the date that the Company commits to purchase or sell a financial asset.

De-recognition of financial assets and liabilities:
A financial asset, or a portion of a financial asset, is derecognised when:
- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "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 the assets; or
    ii. has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or has expired.

Debtors:
Debtors reflected on the statement of financial position are net of any allowance(s) for uncollectible amounts.

Financial instruments (continued)

Financial liabilities:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the liabilities are de-recognised as well as through the effective interest amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest method. The effective interest amortisation is included as finance costs in the income statement.

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. Any instrument that includes a repayment obligation is classified as a liability.

Where the contractual liabilities of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classified as financial liabilities, and are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the income statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Offsetting of financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Where the contractual terms of share capital do not have any features meeting the definition of a financial liability then such capital is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Equity instruments:

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

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.

Assets carried at amortised cost:

If there is objective evidence that an impairment loss has been incurred, it is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The loss is recognised in the income statement.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date.

Taxation
Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the period and is calculated using the tax rates and laws that have been enacted or substantially enacted at the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the Company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Management assess the recoverability of deferred tax assets as and when they arise and will recognise any such assets if they are deemed recoverable.

Significant accounting estimates and assumptions
The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts for 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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. These are discussed below:

Capitalisation and depreciation of property, plant and equipment, including decommissioning costs
As part of the measurement and recognition of assets and liabilities in the period, the Company has recognised a provision for decommissioning obligations associated with the solar park. In determining the present 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 March 2016 was £654,498 (31 March 2015: £143,661). The interest rate applied was 2.24%.

Deferred tax
Management judgment 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.

Revenue relating to the accrued income for ROC and LEC
The number of Renewable Obligation Certificates ("ROC") and Levy Exempt Certificates ("LEC") are calculated each month based on the net number of mega-watts of power exported. The ROC price is fixed for each Compliance Year which runs from 1 April to 31 March and is published in advance by Ofgem. The LEC is an exemption to the Climate Change Levy which is published in advance of the tax year by HMRC. The ROC recycle price is not published until September following the accounting year end and thus management estimate the price. Management has adopted the policy of recognising ROC revenue monthly, based on the price for the relevant compliance period.

Effective 31 July 2015, no revenue was accrued or recognised for LEC following the Government's revocation of the Climate Change Levy from which LEC were derived.

Equity

Equity comprises the following:

- "Called up share capital" represents the nominal value of ordinary equity shares.
- "Accumulated losses" include all current results as disclosed in the income statement.

1. RESTATEMENT OF PRIOR PERIOD BALANCES

The financial statements are for the period from 1 April 2015 to 31 March 2016.

During the financial year, the Company had adjusted for errors made in the prior period presented. These were applied retrospectively to the financial statements in accordance with FRS 102 section 10 requirements. The period before 1 July 2014 is not affected. The amounts are as follows:

	01 Jul 14 to 31 Mar 15 (Unaudited) £	01 Jul 14 to 31 Mar 15 (Unaudited and restated) £
Fixed assets	7,746,635	7,511,549
Creditors	(252,280)	(636,479)
Depreciation	243,474	262,759
Operaing expenses	118,395	718,395

Fixed assets were overstated in the prior year by a net amount of £235,086. This was due to £600,000 of non-EPC development fees capitalised and £384,199 of EPC not previously recognised. Depreciation was adjusted by £19,285 to reflect these changes.

2. REVENUE

The whole of the Company's revenue is attributable to its market in the United Kingdom and is derived from the principal activity of the generation and supply of electricity from a photovoltaic site, and the associated ROCs and LECs income as outlined within the accounting policies.

3. OPERATING EXPENSES

	01 April 15 to 31 Mar 16 £	01 July 14 to 31 Mar 15 (Unaudited and restated) £
Operating & maintainence costs	76,794	-
Lease costs	35,242	34,759
Asset management fees	98,620	37,314
Internal management fees	101,076	-
Business rates	33,524	10,924
Professional fees	13,330	600,000
Other operating expenses	59,805	35,398
	418,391	**718,395**

NextEnergy Solar Holdings Limited will pay the audit fee of £7,000 relating to the audit of the financial statements for the period ended 31 March 2016 on behalf of the Company.

4. REMUNERATION OF THE DIRECTORS

The remuneration of the directors was £nil for the financial year (for the period ended 31 March 2015: £nil).

5. FINANCE COSTS

	01 April 15 to 31 Mar 16	01 July 14 to 31 Mar 15 (Unaudited)
	£	£
Bank interest	374	275

Refer to Note 11 for details of financial liabilities.

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	01 April 15 to 31 Mar 16	01 July 14 to 31 Mar 15 (Unaudited and restated)
	£	£
(a) Analysis of charge in the year / period		
Current tax:		
Corporation tax on profits for the year / period	108,326	-
Adjustments in respect to prior periods	-	-
Total current tax	**108,326**	**-**
Deferred tax:		
Origination and reversal of timing differences	-	-
Impact on change in tax rate	-	-
Total deferred tax	**-**	**-**
Tax on profit on ordinary activities	**108,326**	**-**

There is a current tax charge of £108,326 recognised in the year ended 31 March 2016 (for the period ended 31 March 2015: £nil). There have been no deferred tax assets recognised in the year ended 31 March 2016. Refer to Note 6(b) for a reconciliation of the factors affecting the tax position for the year.

6. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUTED)

(b) Factors affecting tax charge for the period

The tax assessed for the period differs from the standard rate of corporation tax in the United Kingdom (20%). The differences are noted below:

	01 April 15 to 31 Mar 16	01 July 14 to 31 Mar 15 (Unaudited and restated)
	£	£
Profit / (Loss) for the year / period	**753,874**	**(903,647)**
Tax on profit / (loss) on ordinary activities at standard corporation tax rate of 20% (period ended 31 March 2015: 21%)	150,775	(189,766)
Effects of:		
Fixed assets differences	13,876	-
Expenses not deductible for tax purposes	8,183	189,766
Adjust closing deferred tax to average rate of 20%	277	-
Deferred tax not recognised	(64,785)	-
Total tax charge	**108,326**	**-**

A potential deferred tax asset of £2,490 has been identified. Management have made an assessment of the recoverability of this asset and have deemed it prudent not to recognise this amount within the financial statements, as it is their view that there is insufficient evidence to show it is probable that the Company will be able to benefit from the utilisation of the asset. This position will be reassessed in the following year.

(c) Factors affecting current and future tax charge

Reduction in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were 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 announced on 16th March 2016. Whilst this will reduce the Company's tax liability in future it has not been substantively enacted and so deferred tax has been calculated in line with the 18% rate.

7. PROPERTY, PLANT & EQUIPMENT

	Solar PV Equipment	Inverters	Totals
	£	£	£
Cost			
At 1 April 2015 (unaudited and restated)	7,853,502	-	7,853,502
Reclassification	(512,614)	512,614	-
Additions	1,370,321	-	1,370,321
At 31 March 2016	8,711,209	512,614	9,223,823
Depreciation			
At 1 April 2015 (unaudited and restated)	(341,953)	-	(341,953)
Charge for the year	(356,365)	(102,720)	(459,085)
At 31 March 2016	(698,318)	(102,720)	(801,038)
Net book value			
At 1 April 2015 (unaudited and restated)	**7,511,549**	**-**	**7,511,549**
At 31 March 2016	**8,012,891**	**409,894**	**8,422,785**

8. DEBTORS

	Note	31 Mar 16	31 Mar 15 (Unaudited)
		£	£
Debtors		44,893	1,006,285
Accrued Income		125,578	871
Prepayments		57,424	55,754
VAT	10	529	-
Other debtors		17,198	-
		245,622	**1,062,910**

9. CREDITORS

	Note	31 Mar 16	31 Mar 15 (Unaudited and restated)
Amounts falling due within one year		£	£
Creditors		101,246	36,821
Accrued expenses		845,186	433,443
VAT	10	-	166,215
		946,432	**636,479**

10. TAXATION AND SOCIAL SECURITY

	31 Mar 16	31 Mar 15 (Unaudited)
	£	£
Debtors:		
VAT	529	-

	31 Mar 16	31 Mar 15 (Unaudited)
	£	£
Creditors:		
VAT	-	166,215

11. FINANCIAL LIABILITIES

	31 Mar 16	31 Mar 15 (Unaudited)
	£	£
Current:		
Loans due to parent	7,064,952	8,276,375

Loans due to parent are interest-free and repayable on demand.

Refer to Note 17 for more detail on loans due to parent.

12. PROVISIONS FOR LIABILITIES AND CHARGES

	Decommissioning Costs	Provisions	Total
	£	£	£
At 1 April 2015 (unaudited)	143,661	-	143,661
Additions	486,663	-	486,663
Interest charge for the year	24,174	-	24,174
At 31 March 2016	**654,498**	**-**	**654,498**

Please refer to the accounting policy, "Provisions for liabilities and charges" for the basis on which the decommissioning provision has been calculated.

13. OPERATING LEASES

The future minimum lease amounts payable under non-cancellable operating leases are as follow:

	Land and Buildings 31 Mar 16	Land and Buildings 31 Mar 15 (Unaudited)
	£	£
Within one year	35,242	35,242
Between one and five years	140,966	140,966
In more than five years	634,347	669,589
	810,555	**845,797**

14. FINANCIAL RISK MANAGEMENT

The Company's principal financial assets and liabilities comprise debtors, cash at bank and in hand, and creditors. The Company has exposure to the following risks from its use of financial instruments:

- Market risk, including commodity price, interest rate, inflation rate risks and foreign exchange risk
- 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.

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 receives funding from the parent company from time to time.

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 statement of financial position 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.

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.

Capital management

Management considers capital to consist of equity plus net debt as disclosed in the statement of financial position. 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 debtors and creditors 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 March 2016, the Company has amounts due to group undertakings. It had no financial assets other than cash at bank. The fair value of creditors approximated to their book value. Refer to Note 9 for further detail.

Refer to Note 11 for a table summarising the maturity of the Company's financial liabilities.

15. SHARE CAPITAL

	31 Mar 16 £
Authorised	
9,206,450 shares of £0.10 each	920,645
Issued share capital	
9,206,450 shares of £0.10 each	920,645

Name	Class of Shares	Number Held At 31 March 2016
NextEnergy Solar Holdings Limited	Ordinary Shares	9,206,450

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

On 17 June 2015 shareholding of the Company transferred from the original Shareholders of Wellingborough Solar Limited to NextEnergy Solar Holdings Limited. There were no changes in shareholdings between 31 March 2016 and the date of signing the financial statements.

All share capital was fully paid at 31 March 2016.

16. CAPITAL COMMITMENTS

The Company had no material capital commitments at 31 March 2016, other than what has been disclosed under Note 13, Operating Leases.

17. RELATED PARTY TRANSACTIONS

Wellingborough Solar Limited is a wholly owned subsidiary of NextEnergy Solar Holdings Limited. At the reporting date the Company owed £6,950,978 (for the period ended 31 March 2015: £nil) to NextEnergy Solar Holdings Limited in respect of payments made by NextEnergy Solar Holdings Limited.

NextEnergy Solar Holdings Limited charges the Company a management fee of £101,076 (for the period ended 31 March 2015: £nil) for the year ended 31 March 2016. At the statement of financial position date the Company owed £113,974 including VAT (for the period ended 31 March 2015: £nil).

WiseEnergy (Great Britain) Limited ("WiseEnergy") is a related party through mutual ownership by NextEnergy Solar Holdings Limited. During the year, the Company paid £98,620 (for the year ended 31 March 2015 £nil) to WiseEnergy in respect of asset management services provided. At the year end £nil (for the period ended 31 March 2015: £nil) was owing to WiseEnergy in relation to the financial year ended 31 March 2016.

18. CONTROLLING INTEREST

As at 31 March 2016 the immediate parent undertaking was NextEnergy Solar Holdings Limited.

The ultimate controlling party was NextEnergy Solar Fund Limited, a company incorporated in Guernsey and listed on the London Stock Exchange.

19. POST-STATEMENT OF FINANCIAL POSITION EVENTS

No significant events occurred between the balance sheet date and the date of signing these financial statements.