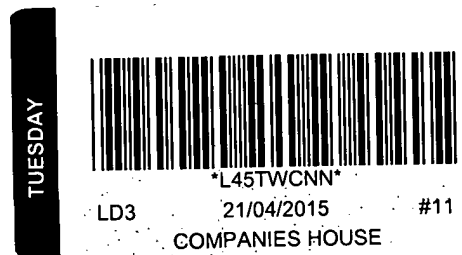


LIGHTSOURCE SPV 2 LIMITED
Abbreviated financial statements
For the period ended 31 August 2014

Registered Number 07738844



LIGHTSOURCE SPV 2 LIMITED

Contents

| | |
|---|---|
| Directors and advisers | 1 |
| Abbreviated balance sheet as at 31 August 2014..... | 2 |
| Statement of accounting policies | 3 |
| Notes to the abbreviated financial statements for the period ended 31 August 2014 | 5 |

Lightsource SPV 2 Limited

Directors and advisers

Directors

N Boyle

G La Loggia

Company secretary

N Board

Registered office

6th Floor

33 Holborn

London

EC1N 2HT

Independent advisers

PricewaterhouseCoopers LLP

Central Square South

Orchard Street

Newcastle upon Tyne

NE1 3AZ

Bankers

Coutts & Co

440 Strand

London

WC2R 0QS

Solicitors

SGH Martineau LLP

No.1 Colmore Square

Birmingham

B4 6AA

Lightsource SPV 2 Limited

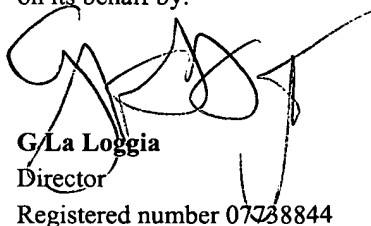
Abbreviated balance sheet as at 31 August 2014

| | Note | 2014 £ | 2014 £ |
|--|------|-----------|-------------|
| Fixed assets | | | |
| Tangible assets | 1 | | 4,013,265 |
| Current assets | | | |
| Debtors | 2 | 968,632 | |
| Creditors: amounts falling due within one period | 3 | (239,597) | |
| Net current assets | | | 729,035 |
| Total assets less current liabilities | | | 4,742,300 |
| Creditors: amounts falling due after more than one year | 4 | | (4,816,409) |
| Net liabilities | | | (74,109) |
| Capital and reserves | | | |
| Called up share capital | 5 | | - |
| Profit and loss account | 6 | | (74,109) |
| Total shareholders' deficit | | | (74,109) |

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year ended 31 August 2014 in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 5 to 7 were approved by the board of directors on 16 April 2015 and were signed on its behalf by:


G. La Loggia
Director
Registered number 07238844

Lightsource SPV 2 Limited

Statement of accounting policies

Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.

Going Concern

The financial statements have been prepared on the 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.

Turnover

Turnover comprises income receivable from the electricity generated during the period. Any un-invoiced income is accrued in the period in which it has been generated.

Tangible assets and depreciation

Tangible 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 basis:

Plant and machinery - 4% and 10% straight line

Plant and machinery represents the costs of construction of solar plants: solar panels, civil/structural and electrical costs, grid connection, planning and professional fees capitalised and depreciated at 4% per annum on a straight line basis. Costs of transformers, inverters and cabling are being depreciated at 10% per annum on a straight line basis.

Financial instruments

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 entity after deducing all of its financial liabilities.

Where the contractual obligations of the financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

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

Lightsource SPV 2 Limited

Statement of accounting policies (continued)

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Lightsource SPV 2 Limited

Notes to the abbreviated financial statements for the period ended 31 August 2014

1 Tangible assets

| | Plant and machinery £ |
|--------------------------|-----------------------------|
| Cost | |
| Additions | 4,082,739 |
| At 31 August 2014 | 4,082,739 |
| Accumulated depreciation | |
| Charge for the period | 69,474 |
| At 31 August 2014 | 69,474 |
| Net book value | |
| At 31 August 2014 | 4,013,265 |

2 Debtors

| | 2014 £ |
|----------------------------------|-----------|
| Prepayments | 11,986 |
| Accrued income | 204,129 |
| Amounts owing by group companies | 752,517 |
| | 968,632 |

3 Creditors: amounts falling due within one year

| | 2014 £ |
|------------------|-----------|
| Trade creditors | 584 |
| VAT payable | 5,879 |
| Accrued expenses | 233,134 |
| | 239,597 |

Lightsource SPV 2 Limited

Notes to the abbreviated financial statements for the period ended 31 August 2014 (continued)

4 Creditors: amounts falling due after more than one year

| | 2014 £ |
|------------------------------------|-----------|
| Amounts owed to group undertakings | 4,816,409 |

Included within amounts owed to group undertakings are unsecured loans with year end balances totalling £4,816,409. The loan bears interest at 8% and is payable after more than five years.

5 Called up share capital

| | 2014 £ |
|------------------------------------|-----------|
| Allotted, called up and fully paid | |
| 2 Ordinary shares of £0.10 each | - |

6 Reserves

| | Profit and loss account £ |
|---------------------|---------------------------------|
| Loss for the period | (74,109) |
| At 31 August 2014 | (74,109) |

7 Contingent Liabilities

The company has a constructive obligation to return the land on which solar sites are built to its original condition, at the end of the lease. The directors believe that given the nature of the assets, the lessor may wish to either take title of the assets for either continued use or to realise value through selling the assets and as such the directors do not believe that an outflow is probable to settle this restoration obligation. The directors will continue to monitor this situation at each balance sheet date.

Lightsource SPV 2 Limited

Notes to the abbreviated financial statements for the period ended 31 August 2014 (continued)

8 Operating lease commitments

At 31 August 2014 the company had annual commitments under non-cancellable operating leases as follows:

| | 2014 |
|-------------------------|---------------|
| | £ |
| <hr/> | |
| Expiry Date: | |
| After more than 5 years | 25,250 |
| <hr/> | |

9 Related party transactions

During the period the company was charged £17,502 in respect of management fees by Lightsource Renewable Energy Limited, a related party due to its significant influence over the entity. At the end of the period nothing was outstanding.

During the period, the company's parent company, Alhazen Energy Limited, met expenditure of £3,961,567 and received revenue of £641,720 on behalf of the company. The company was also charged interest of £217,738 by its parent company. At 31 August 2014, £4,063,892 was outstanding of which £4,816,409 is included in creditors and £752,517 is included in debtors.

10 Ultimate parent undertaking and controlling party

Alhazen Energy Limited is the immediate parent company and ultimate parent undertaking. The directors do not consider the company to have an ultimate controlling party, by virtue of a split holding in its shares. The results of the company are not consolidated within any other company.