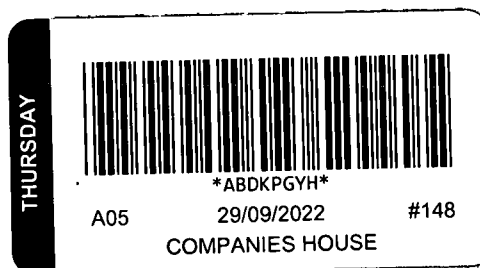


Averon Park Limited

Annual Report and Financial Statements

For the year ended 31 March 2022

Registered number: 08669482



Averon Park Limited

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Averon Park Limited

Directors and Auditors

Directors

**Gary Fraser
Phillip Jones
Graham Ross Russell**

Registered Office

**The Shard
32 London Bridge Street
London
SE1 9SG**

Auditors

**KPMG LLP
15 Canada Square
London
E14 5GL**

Chairman's Report

For the year ended 31 March 2022

Highlights

- Net assets increased to £932.0 million from £672.3 million at the start of the year
- New investments totalling £146.6 million and realisations of £6.2 million were completed in the year
- Portfolio returns met the target objectives for the year of 3.0-4.5%. Net asset value per share at 31 March 2022 was 113.12p (2021: 101.10p)

Investment review

The breakdown of the portfolio as at 31 March 2022 was as follows:

Trading Company Asset Class	Valuation £'000	% of Overall Portfolio
Onshore Wind	145,484	16%
Secured Lending	140,294	15%
Other Infrastructure	127,754	14%
Solar	119,602	13%
Reserve Power	115,943	12%
Forestry	65,356	7%
Cash and Cash Equivalents	219,152	23%
Total	933,585	100%

I am pleased to report the results for the year ended 31 March 2022.

Since Averon Park Limited (the Company) launched in 2012, we have achieved or exceeded our minimum target return in every year except the year to 31 March 2020. An ITS shareholder who invested at 1 April 2021 would have experienced a 11.9% gain during the year, which demonstrates the resilience of the underlying businesses owned, even during these exceptional times and, therefore, we continue to be pleased with the investment strategy although we will continue to look for new types of infrastructure businesses where we feel there is an opportunity to enhance our returns.

As the Company continues to raise new equity financing, we have, as previously mentioned, diversified away from our concentration in Solar and Wind into trades with similar characteristics to the existing portfolio that will create a platform for future growth. In particular we have focused over the last 12 months on sectors such as Forestry, Biomethane Refuelling and Secured Lending, many of which are expected to grow significantly in the future. Onshore Wind remains the largest trade by sector, representing 16% of the overall portfolio, which is down from 21% in 2021 owing to the profitable sale of a large wind farm in September 2021.

The performance has been spread across the asset classes although the emergence of Biomethane Refuelling and Forestry, in addition to the historical performance of the Company's renewable energy generating assets, is particularly pleasing as it demonstrates success in diversifying the trades in which the Company invests. The Secured Lending and, in particular, Reserve Power portfolios continue to generate positive returns, reinforcing the progress shown in the prior year.

The year has also seen significant investment into development opportunities across a range of sectors. The Company is currently committed to developing both Solar and Wind sites as well as District Heating and Fibre Broadband networks. Development of a Battery Storage site in Scotland is also underway.

Chairman's Report (continued)

For the year ended 31 March 2022

The Board believes the Manager's (Foresight Group LLP) active approach to asset management, in either a hold or sale scenario, has and will continue to enhance the value of these assets. This has enabled the Board and the Manager to execute on its commitment to rebalance the portfolio.

Further details on the individual sector and asset performance can be found in the Manager's report on pages 4 to 5.

Outlook

The Company has made a significant number of investments during the year across several sectors, providing diversification in the portfolio and this will continue over the next 12 months as the Board and Manager are currently considering a significant number of new opportunities, again across multiple sectors (both existing and new). The Board and Manager are confident that the enlarged existing portfolio and new investments being considered in the sectors noted above should deliver the required returns to shareholders over the long-term. Further consideration is given to the impacts of Covid-19 in the Strategic Report.

A handwritten signature in black ink, appearing to read 'Gary Fraser', with a stylized flourish at the end.

Gary Fraser
Chairman
26 September 2022

Manager's Report

For the year ended 31 March 2022

During the year the Company completed a number of new investments, totalling £146.6 million, across a range of businesses. Performance from this diversified portfolio of trades significantly exceeded the target for the year.

Onshore Wind

The Company has reduced its exposure to Wind with the sale of a large wind farm in September 2021. The joint venture with Belltown UK for wind development opportunities continues to expand and an additional commitment has been approved by the Manager.

Solar

As at 31 March 2022, Solar was the Company's fourth most significant business sector (having fallen behind Other Infrastructure), representing 13% of the trading portfolio. This reduction from the prior year has primarily been driven by continued natural dilution as the Company has grown, as well as efforts to diversify the underlying sector exposures. Several loans to solar assets were repaid in the year.

Power prices have increased substantially during the year, driving a positive return on these assets. There remains a focus on operational improvements to optimise plant performance, with ongoing actions to renegotiate operations and maintenance (O&M) contracts and reduce costs across the solar portfolio.

Secured Lending

The Company's lending facilities continue to perform in line with the original business cases and three new secured lending partners received funding from the Company during the year. They provide SMEs with short-term, secured loans for a range of business purposes. The Company's facilities enjoy a secured position with diversified access to a large book of performing loans with an average loan to value (LTV) below 60%.

Reserve Power

During the year the Company has continued to fund the build out of the Mercia Power Response (MPR) pipeline of flexible generation plants following their successful bid to provide back-up power to the National Grid during periods of high electricity demand.

A further £12 million was deployed by the Company in support of this roll-out programme, with further capital yet to be deployed. The wider reserve power market is buoyant, presenting further attractive acquisition opportunities which are being actively considered.

Forestry

These projects range from mature commercial forests, providing yield from high-quality crops of diverse ages, to afforestation projects on unused land. These projects balance the needs of the environment, local industry and forest communities by supporting income generation (mostly timber, though other revenue streams contribute) whilst conserving resources for future generations. This is an active sector for the Company as further sites are being assessed for acquisition.

As at 31 March 2022, the Company owned four forestry and three afforestation sites across the UK. This is a decrease compared to the prior year as the Company completed the sale of the majority of its portfolio for £112.7 million. This sale was beneficial for the Company, rebalancing the portfolio and realising independently verified gains made since initial acquisition.

Blomethane Refuelling

The Company has committed to investing up to £60 million in a joint venture to construct and operate a biomethane refuelling station network across the UK to facilitate the HGV market transition away from fossil fuels. Four sites were operational as at the year end with a further four under construction. The portfolio has generated positive returns to date.

Manager's Report (continued)

For the year ended 31 March 2022

Outlook

The Company continues to see a strong pipeline of attractive investment opportunities across a broad range of sectors including Battery Storage, Controlled Environment Agriculture, Biomethane Refuelling, Forestry, District Heating, Secured Lending and Student Accommodation. These investments are predominantly UK based though some overseas projects are being considered. As at the date of signing, a significant pipeline of potential investments was under consideration. Further consideration is given to the impacts of Covid-19 in the Strategic Report.

A handwritten signature in black ink, appearing to read 'E. J. R. Ansor', written in a cursive style.

Foresight Group LLP
26 September 2022

Strategic Report

For the year ended 31 March 2022

Introduction

This Strategic Report has been prepared in accordance with best practice and the requirements of Section 414 of the Companies Act 2006. Its purpose is to inform the shareholders of the Company and help them to assess how the Directors have performed their duty to promote the success of the Company, in accordance with Section 172 of the Companies Act 2006.

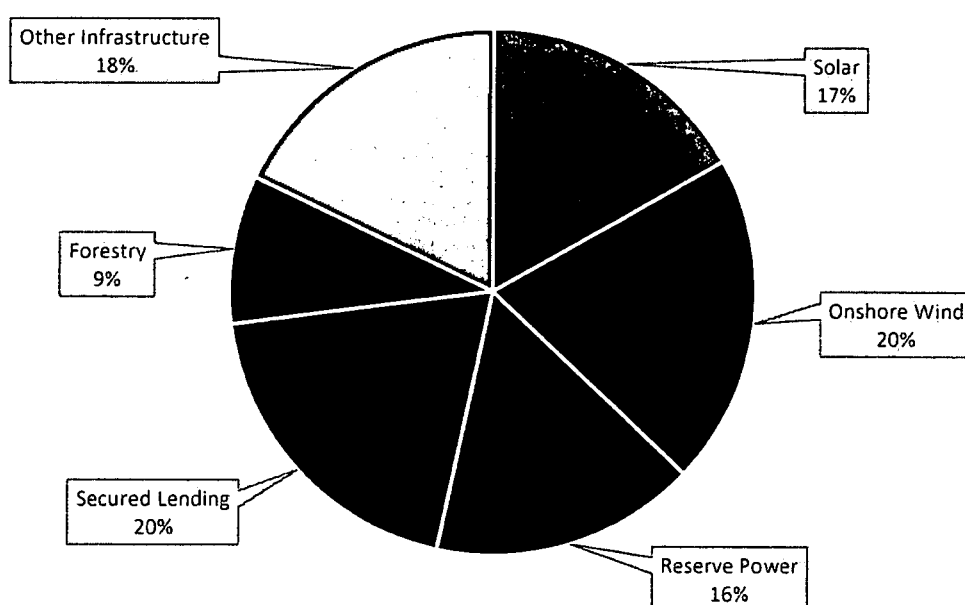
Averon Park Limited has raised £1,106.6 million as at the date these financial statements were approved (15 September 2021: £869.6 million). At 31 March 2022 it had investments valued at £893.7 million (2021: £642.7 million) and net assets of £932.0 million (2021: £672.3 million). The number of shares in issue at 31 March 2022 was 823,972,625 (2021: 664,925,336).

Performance and Key Performance Indicators (KPIs)

The Board expects the Manager to deliver a performance which meets the target annual return. The KPI covering this objective is between a 3.0% - 4.5% annual return. This return was met for the year to 31 March 2022.

Investment Value by Sector (Excluding Cash)

Investment Value by Sector (Excluding Cash)



Strategic Report (continued)
For the year ended 31 March 2022

Strategies for achieving objectives

Investment policy

The Company provides development finance for unquoted trading companies which are backed predominantly by infrastructure assets with a low risk profile and where capital preservation is key. The Company also invests in quoted trading companies.

Securitles

The Company invests in a range of securitles including, but not limited to, ordinary shares and loans.

UK companies

Investments are primarily companies which are substantially based in the UK.

Asset mix

The Company aims to be significantly invested in low risk infrastructure type businesses subject always to the quality of opportunities and the timing of realisations.

Risk diversification and maximum exposures

Risk is spread by obtaining holdings in a number of different businesses.

Management

The Board has engaged Foresight Group LLP as discretionary manager. Foresight Group LLP also provides or procures the provision of company secretarial, administration and custodian services to the Company. Foresight Group LLP prefers to take a lead role in the companies in which it has an interest.

Political donations

The Company made no political donations during the year (2021: nil).

Sustainability and ESG

Whilst the UK's framework for Sustainability Disclosure Requirements (SDR) is being finalised, the EU's Sustainable Finance Disclosure Regulation (SFDR) has been used as a proxy. The Company has been assessed to be aligned with Article 8 of the EU's SFDR, meaning it can be defined as promoting environmental and social characteristics. This is further consolidated through the sustainable impact tracking performed by the Company and demonstrated in the reporting to shareholders on a quarterly basis. This impact reporting uses the UN Sustainable Development Goals (SDGs) as a universally understood framework for demonstrating sustainable impact. As the Company's portfolio of assets continues to diversify, the sustainable impact will continue to be tracked against the SDGs where possible.

The Manager has a Sustainability and ESG Committee and a number of sub-workstreams, all of which are focused on ensuring industry best practice for the Manager and its investee companies.

Gender diversity and human rights

The Board currently comprises three male Directors, of which two are non-executive. The Board is, however, conscious of the need for diversity and will consider this when appointing new Directors.

The Manager has an equal opportunities policy and as at the date these financial statements were approved employed 63% men and 37% women. The Company has no employees. The Company and the Manager are committed to the respect of human rights in all their actions.

Strategic Report (continued)

For the year ended 31 March 2022

Principal risks, risk management and regulatory environment

The Board carries out regular reviews of the risk environment in which the Company operates. The principal risks and uncertainties identified by the Board which might affect the Company's business model and future performance, and the steps taken with a view to their mitigation, are as follows:

Economic risk: events such as economic recession or general fluctuation in stock markets and interest rates may affect the valuation of investee companies and their ability to access adequate financial resources, as well as affecting the Company's own net asset value. **Mitigation:** The Company invests in a diversified portfolio of investments spanning various industry sectors and maintains sufficient cash reserves to be able to provide additional funding to investee companies where appropriate.

Investment and liquidity risk: many of the Company's investments are in small and medium-sized unquoted companies which by their nature entail a higher level of risk and lower liquidity than investments in larger quoted companies. **Mitigation:** the Manager aims to limit the risk attached to the portfolio as a whole by careful selection, close monitoring and timely realisation of investments, by carrying out rigorous due diligence procedures and maintaining a spread of holdings in terms of industry sector. The Board reviews the trading portfolio with the Manager on a regular basis.

Natural disasters: severe weather, natural disasters or pandemics could lead to reduction in performance and value of the assets. **Mitigation:** there is no mitigation that can be taken against natural disasters; however, our Operations and Maintenance provider is able to respond quickly to repair any damage and reduce the amount of down time. Each investee company implemented an extensive plan to deal with Covid-19, resulting in minimal adverse effects in the year to 31 March 2022.

Internal control risk: the Company's assets could be at risk in the absence of an appropriate internal control regime. This could lead to theft, fraud, and/or an inability to provide accurate reporting and monitoring. **Mitigation:** the Board carries out regular reviews of the system of internal controls, both financial and non-financial, operated by the Company and the Manager. These include controls designed to ensure that the Company's assets are safeguarded and that proper accounting records are maintained.

Financial risk: inappropriate accounting policies might lead to misreporting or breaches of regulations. **Mitigation:** the Manager is continually reviewing accounting policies and regulations, and its reports are reviewed by the Board on a quarterly basis and at least annually by the external auditor.

Credit risk: the Company holds a number of financial instruments and cash deposits and is dependent on the counterparties discharging their commitment. **Mitigation:** the Board and Manager review the creditworthiness of the counterparties to these instruments and cash deposits and seek to ensure there is no undue concentration of credit risk with any one party.

The Board regularly reviews the principal risks and uncertainties facing the Company which the Board and the Manager have identified and sets out delegated controls designed to manage those risks and uncertainties. Key risks within strategy are managed by the Board through a policy, with guidelines and restrictions, and by the process of oversight at each Board meeting. Operational disruption, accounting and legal risks are also covered at least annually and regulatory compliance is reviewed at each Board meeting.

The Directors have adopted a framework of internal controls which is designed to monitor the principal risks and uncertainties facing the Company and to provide a monitoring system to enable the Directors to mitigate these risks as far as possible.

Strategic Report (continued)

For the year ended 31 March 2022

Coronavirus (Covid-19)

The uncertainties caused by the emergence and spread of Covid-19 have caused market volatility on a global scale. Though the conditions have been well managed and the effect on the unquoted investments of the Company has been minimal, the Manager is monitoring the situation and considering the effect it may have on valuations in the future. In accordance with the requirements of the Financial Reporting Standards (FRS), the fair valuations at the date of the statement of financial position reflect the economic conditions in existence at that date. The next date at which a valuation of unquoted investments was performed was as at 30 June 2022, which resulted in a net uplift in value for the portfolio.

Directors' duty to promote the success of the Company

The Directors have a duty to promote the success of the Company for the benefit of shareholders as a whole and to describe how they have performed this duty having regard to matters set out in Section 172(1) of the Companies Act 2006. In fulfilling this duty, the Directors consider the likely consequences of their actions over the long term and on other stakeholders.

Its main stakeholders therefore comprise its shareholders, portfolio companies and a small number of suppliers. These suppliers are external firms engaged by the Board to provide, amongst others, investment management, secretarial and legal and professional services.

The principal relationship is with the Investment Manager and the Manager's Report contains further information on this. Its investment management service is fundamental to the long-term success of the Company through the pursuit of the investment objective. The Board reviews the investment performance of the Company and the ability of the Investment Manager to produce satisfactory investment performance. It seeks to maintain a constructive working relationship with the Investment Manager.

The Board receives and reviews detailed presentations and reports from the Investment Manager to enable the Directors to exercise effective oversight of the Company's activities. The Investment Manager seeks to maintain constructive relationships with the Company's other suppliers on behalf of the Company, typically through regular communications and provision of relevant information.

Future developments/outlook

Further detail on these, including a review of business during the year is given in the Chairman's Report on page 2 and the Manager's Report on page 4.

Valuation policy

The investments at fair value through profit or loss owned by the Company have been valued in accordance with the International Private Equity and Venture Capital Valuation (IPEV) Guidelines developed by the British Venture Capital Association and other organisations as updated in December 2018 and further updated for Covid-19 guidance in March 2020. Through these guidelines, these companies are valued at 'fair value' as defined. Ordinarily, unquoted companies will be valued at cost for a limited period following the date of acquisition, being the most suitable approximation of fair value unless there is an impairment or significant accretion in value during the year. Assets under construction will be valued at cost until operations begin. The valuations are prepared by Foresight Group LLP, reviewed and approved by the Board quarterly and subject to external audit annually.



Gary Fraser
Chairman
26 September 2022

Directors' Report

The Directors present their report and financial statements for the year ended 31 March 2022.

Principal activity

The principal activity of the Company is to provide development finance for unquoted trading companies in which the Company has an equity stake and which are backed predominantly by infrastructure assets with a low risk profile and where capital preservation is key. The Company also invests in quoted trading companies.

The Strategic Report discusses important events during the year, including potential Covid-19 impacts, as well as financial risk management objectives, policies and exposures.

Directors

The Directors who held office during the year and as at the date of this report were as follows:

Gary Fraser
Phillip Jones
Graham Ross Russell

Results and dividends

The results for the year are set out on pages 17 to 52. A small number of shareholders requested to withdraw some of the value of their investment in the form of dividends. As a result, the Company paid dividends of £7,099 during the year (2021: £19,449). In the period following 31 March 2022, no dividends have been paid.

Going concern

The Directors have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the Company to continue as a going concern.

In making the assessment, the Directors have considered the impact of Covid-19 on the business, specifically the largely predictable revenue streams stemming from the underlying portfolio companies, a large proportion of which is fixed and with a government backed counterparty. Bolstered by an increase in power price forecasts, relevant to wind, solar and reserve power assets, and inflation, the Directors have concluded that the impacts of movements in market prices do not significantly impact the Company's ability to continue as a going concern. The Directors have considered forward looking power prices assumptions by third party providers in making this assessment. There were no further indications of market impacts as a result of Covid-19 on the Company's portfolio of assets.

The Directors have performed sensitivity testing over the Company's revenue streams and noted no reasonably possible scenarios where the Company's ability to continue as a going concern was under threat. This analysis included scenarios where inflows were reduced by 20% and 50%. In addition to the £37.7 million of cash and cash equivalents on the balance sheet, there was £181.5 million of cash and cash equivalents in the group which the Company had immediate access to at 31 March 2022. Based on their assessment of the Company's financial position, the Directors believe that the Company will be able to continue for the foreseeable future.

Future developments/outlook

Detail on these is given in the Chairman's Report on pages 2 to 3 and the Manager's Report on pages 4 to 5.

Corporate governance

The Board is committed to maintaining and demonstrating high standards of corporate governance in relation to the Company's business conduct. The Board also expects high standards at the companies in which the Company invests. In this regard, it is satisfied that the Investment Manager consistently and proactively engages with portfolio companies on environmental, social and governance matters. These are considered material to the investment case and therefore to the long-term success of the Company.

Employees

The Company had no (2021: nil) employees during the year.

Director's Report (continued)

Research and development

There are no plans for any future research and development.

Indemnity

The Directors have the benefit of indemnities under the articles of association of the Company against (to the extent only as permitted by law) liabilities they may incur acting in their capacity as Directors of the Company. An insurance policy is maintained by the Company which indemnifies the Directors of the Company against certain liabilities that may rise in the conduct of their duties. There is no cover against fraudulent or dishonest actions.

Adequacy of information provided to the auditor

The Directors who held office at the date of approving this Directors' Report confirm that, so far as they are each aware, there is no relevant information of which the Company's auditor is unaware and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Gary Fraser', with a long horizontal flourish extending to the right.

Gary Fraser

Chairman

26 September 2022

C/O Foresight Group LLP

The Shard

32 London Bridge Street

London, United Kingdom

SE1 9SG

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), 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 of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

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

On behalf of the Board



Gary Fraser
Chairman
26 September 2022

Independent Auditor's Report to the Members of Averon Park Limited

Opinion

We have audited the financial statements of Averon Park Ltd (the Company) for the year ended 31 March 2022 which comprise the Profit or Loss Account and Other Comprehensive Income, Balance Sheet, Reconciliation of Movements in Shareholders' Funds, Statement of Cash Flows, and related notes, including the accounting policies in note 1. In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (the going concern period).

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- assessing the segregation of duties in place between the Directors and the Company's Investment Manager; and
- reading Valuation Committee and Board minutes.

Independent Auditor's Report to the Members of Averon Park Limited (continued)

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular to the risk that management may be in a position to make inappropriate accounting entries. We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Finance team about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We substantively tested all material post-closing entries by comparing the identified entries to supporting documentation and, based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors and the Manager, no further high-risk journal entries or other adjustments were identified.

On this audit we have rebutted the fraud risk related to revenue recognition because the revenue is non-judgmental and straightforward, with limited opportunity for manipulation. We did not identify any significant unusual transactions or additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors and the Manager (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, data protection, anti-money laundering, market abuse regulations and certain aspects of Company legislation recognizing the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Manager and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Members of Averon Park Limited (continued)

Strategic report and Directors' report

The Directors are responsible for the strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 12, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent Auditor's Report to the Members of Averon Park Limited (continued)

The purpose of our audit work and to whom we owe our responsibilities

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.



Christopher Smart (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL

26 September 2022

Averon Park Limited**Profit or Loss Account and Other Comprehensive Income****For the year ended 31 March 2022**

		Year ended 31 March 2022 £	Year ended 31 March 2021 £
	Note		
Dividend and Interest Income	2	597,038	16,417,690
Other operating income		4,021,680	5,268,110
Operating expenses	3	(19,400,482)	(22,857,420)
Operating loss		(14,781,764)	(1,171,620)
Net gains on investments at fair value through profit or loss	6	110,651,839	22,626,263
Finance costs		-	(86,294)
Profit on ordinary activities before taxation		95,870,075	21,368,349
Tax on profit on ordinary activities	4	-	-
Profit on ordinary activities after taxation		95,870,075	21,368,349
Other comprehensive income		-	-
Total comprehensive income for the year		95,870,075	21,368,349

All items in the above Profit or Loss Account and Other Comprehensive Income are derived from continuing operations.

The notes on pages 21 to 52 form an integral part of these financial statements.

Averon Park Limited

Balance Sheet

As at 31 March 2022

Company number: 08669482

	Note	As at 31 March 2022 £	As at 31 March 2021 £
Fixed assets			
Investments at fair value through profit or loss	6	893,716,896	642,705,055
Current assets			
Debtors	7	1,901,094	1,568,563
Cash and cash equivalents		37,681,369	28,680,548
		<u>39,582,463</u>	<u>30,249,111</u>
Current liabilities			
Creditors: amounts falling due within one year	8	(1,254,002)	(698,845)
Net current assets		<u>38,328,461</u>	<u>29,550,266</u>
Net assets		<u>932,045,357</u>	<u>672,255,321</u>
Capital and reserves			
Called-up share capital	9	5,563,539	4,489,637
Share premium		603,379,983	440,549,826
Profit or loss account		323,101,835	227,215,858
Equity shareholders' funds		<u>932,045,357</u>	<u>672,255,321</u>

The notes on pages 21 to 52 form an integral part of these financial statements.

The financial statements on pages 17 to 52 were approved by the Board of Directors on 26 September 2022 and were signed on its behalf by:



Gary Fraser
Chairman

Averon Park Limited**Reconciliation of Movements in Shareholders' Funds****Year ended 31 March 2022**

	Called-up share capital £	Share premium account £	Profit and loss account £	Total £
As at 31 March 2021	4,489,637	440,549,826	227,215,858	672,255,321
Issue of shares	1,420,098	215,879,962	-	217,300,060
Redemption of shares	(346,196)	(53,049,805)	23,001	(53,373,000)
Profit for the year	-	-	95,870,075	95,870,075
Dividends	-	-	(7,099)	(7,099)
As at 31 March 2022	5,563,539	603,379,983	323,101,835	932,045,357

Year ended 31 March 2021

	Called-up share capital £	Share premium account £	Profit and loss account £	Total £
As at 31 March 2020	5,184,126	375,412,102	205,347,789	585,944,017
Issue of shares	894,828	110,881,970	-	111,776,798
Redemption of shares	(378,573)	(46,954,990)	519,169	(46,814,394)
Restructuring	(1,210,744)	1,210,744	-	-
Profit for the year	-	-	21,368,349	21,368,349
Dividends	-	-	(19,449)	(19,449)
As at 31 March 2021	4,489,637	440,549,826	227,215,858	672,255,321

The notes on pages 21 to 52 form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2022

	Note	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Cash flows from operating activities			
Operating loss for the year		(14,781,764)	(1,171,620)
<i>Adjustments for:</i>			
Investment Income – Interest	2	(550,335)	(996,793)
Investment Income – dividends	2	(46,703)	(15,420,897)
(Increase)/decrease in debtors	7	(332,531)	3,398,767
Increase/(decrease) in creditors	8	555,157	(18,827,397)
Investment Income		597,038	16,417,690
Net cash from operating activities		(14,559,138)	(16,600,250)
Cash flows from Investing activities			
Acquisition of Investments	6	(146,560,002)	(53,294,787)
Disposal of Investments and loan repayments	6	6,200,000	22,589,078
Net cash outflow from Investing activities		(140,360,002)	(30,705,709)
Cash flows from financing activities			
Issue of share capital	9	217,300,060	111,776,798
Redemption of share capital		(53,373,000)	(46,814,394)
Dividends paid		(7,099)	(19,449)
Interest paid		-	(86,294)
Net cash from financing activities		163,919,961	64,856,661
Net increase in cash and cash equivalents		9,000,821	17,550,702
Cash and cash equivalents at beginning of year		28,680,548	11,129,846
Cash and cash equivalents at end of year		37,681,369	28,680,548

The notes on pages 21 to 52 form an integral part of these financial statements.

Notes to the Financial Statements

1 Accounting policies

Averon Park Limited is a company limited by shares and incorporated and domiciled in the UK. The Company's registered address is C/O Foresight Group LLP, The Shard, 32 London Bridge Street, London, United Kingdom, SE1 9SG. Its legal parent is Foresight Fund Managers Limited and the ultimate legal parent is Foresight Group Holdings Limited.

The principal activity of the Company is to provide development finance for unquoted trading companies in which the Company has an equity stake and which are backed predominantly by infrastructure assets with a low risk profile and where capital preservation is key. The Company also invests in quoted trading companies.

These financial statements are prepared under the Companies Act 2006 and in accordance with Financial Reporting Standard 102 applicable to the UK and Republic of Ireland (FRS 102). All investments in the Company are held at fair value through profit or loss (as discussed in Note 1.7). Some investments are subsidiaries of the Company as the Company controls the investment. However, these subsidiaries have not been consolidated as 9.9(b) states that a subsidiary shall be excluded from consolidation where the interest is held exclusively with a view to subsequent resale. 9.9C(a) further states that a subsidiary excluded from consolidation on these grounds and held as part of an investment portfolio shall be measured at fair value with changes in fair value recognised in profit or loss. As noted above, the trading company subsidiary investments invest predominantly in unquoted infrastructure assets.

1.1 Significant estimates and judgements

Disclosure is required of judgements and estimates made by management in applying the accounting policies that have a significant effect on the financial statements. The area involving a higher degree of judgement and estimates is the valuation of unquoted investments as explained in Note 1.7. Judgements and estimates in this area are formed by the Manager's Valuation Committee and approved by the Board. Refer to Note 11.4 for further detail.

The Company's functional and presentational currency is GBP.

1.2 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit or loss account.

1.3 Measurement convention

The financial statements are prepared on the historical cost basis, and in accordance with the applicable accounting standards in the United Kingdom (United Kingdom Generally Accepted Accounting Practices), except that investments in trading businesses are listed at fair value.

1.4 Going concern

The financial statements are prepared on a going concern basis. In determining this was appropriate the Directors have given due consideration to the Company's forecast future cash flows for a period of at least 12 months following the date of these financial statements.

In making the assessment, the Directors have considered the impact of Covid-19 on the business, specifically the largely predictable revenue streams stemming from the underlying portfolio companies, a large proportion of which is fixed and with a government backed counterparty. Bolstered by an increase in power price forecasts, relevant to wind, solar and reserve power assets, and inflation, the Directors have concluded that the impacts of movements in market prices do not significantly impact the Company's ability to continue as a going concern. The Directors have considered forward looking power prices assumptions by third party providers in making this assessment. There were no further indications of market impacts as a result of Covid-19 on the Company's portfolio of assets.

The Directors have performed sensitivity testing over the Company's revenue streams and noted no reasonably possible scenarios where the Company's ability to continue as a going concern was under threat. These scenarios included reducing inflows by 20% and 50%. As part of this analysis, the Directors have considered the Company's operational resilience and the impact on key processes, stakeholders and IT systems. On the basis of their assessment of the Company's financial position, the Directors have a reasonable expectation that the Company will be able to continue for the foreseeable future.

1.5 Dividend and interest income

Dividend income is recognised when the Company's rights to receive payment are established and there is no reasonable doubt that payment will be received.

Interest income is recognised on an accruals basis and includes interest income from financial loans and receivables. Provisions are included where it is not considered recoverable.

1.6 Other operating income

Management service income is recognised on an accruals basis and relates to the provision of management services to certain investee companies.

1.7 Assets held at fair value through profit or loss

Investments held by the Company have been valued in accordance with the International Private Equity and Venture Capital Valuation (IPEV) Guidelines (December 2018) developed by the British Venture Capital Association and other organisations. Through these guidelines and in accordance with section 11 of FRS 102, investments are valued at fair value through profit or loss.

The price of an investment within three months from the measurement date is used as an estimate of fair value as the Directors judge this to be a reasonable indicator of fair value. An assessment is performed at each measurement date for any changes or events subsequent to the relevant transaction that would imply a change in the investment's fair value. Assets under construction will be valued at cost until operations begin. Where such a basis is no longer appropriate, the fair value of investments is determined by using discounted cash flow valuation techniques. Where a discounted cash flow valuation basis is not appropriate, for example, when an underlying investment has been sold, a net asset valuation or discounted earnings multiple may be applied.

Quoted investments are valued at quoted share price.

The portfolio valuations are prepared by Foresight Group LLP, reviewed and approved by the Board quarterly. Unrealised and realised gains/losses are recognised in the Profit or Loss Account on a quarterly basis following approval by the Board.

1.8 Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition both debtors and creditors are measured at amortised cost, less any impairment losses in the case of trade debtors.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and short-term investments with original maturities of less than 90 days.

1.9 Taxation

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 timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax balances are not discounted. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.10 Expenses

Administration and management fees are payable to Foresight Group LLP (the Manager of the Company). The fees are recognised on an accruals basis in accordance with the terms of the Investor Agreement.

All other expenses are recognised on an accruals basis.

Notes to the Financial Statements (continued)

2 Dividend and interest income

Dividend and interest income consists of the following:

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Dividend income	46,703	15,420,897
Interest income	550,335	996,793
	<u>597,038</u>	<u>16,417,690</u>

3 Operating expenses

Profit on ordinary activities is stated after charging:

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Management fees	-	6,802,184
Administration fees	16,280,768	11,651,475
Directors' remuneration*	40,000	40,000
Other**	3,079,714	4,363,761
Administration expenses	<u>19,400,482</u>	<u>22,857,420</u>

*The aggregate emoluments of the highest paid Director for the year were £20,000 (2021: £20,000). Gary Fraser does not earn remuneration as Director. No amounts were paid in respect of money purchase pension schemes (2021: £nil). No Directors exercised share options during the year (2021: none).

**Included within Other expenses is Auditor's Remuneration for the audit of these financial statements of £125,000 (2021: £100,000). There were no non-audit fees (2021: £nil).

4 Taxation

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
UK corporation tax		
Current tax on profits for the year	-	-
Deferred tax on profits for the year	-	-
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

The total tax charge for the year is less than the standard rate of corporation tax in the UK of 19.0% (2021: less than).

Notes to the Financial Statements (continued)

4 Taxation (continued)

	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Profit on ordinary activities before tax	95,870,075	21,368,349
Corporation tax at 19.0% (2021: 19.0%)	18,215,314	4,059,986
Effect of:		
Income not taxable	(21,023,849)	(4,298,990)
Expenses not deductible	153,965	274,573
Group income	(8,873)	(2,929,970)
Deferred tax on unrealised gains in the year recognised at 19.0% (2021: 19.0%)	-	(5,754)
Group relief of losses surrendered	2,663,443	2,894,401
Deferred tax asset not recognised	-	5,754
Total tax charge for the year	-	-

In the March 2021 Budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the Company's future tax charge. If this rate change had been substantively enacted at the current balance sheet date the deferred tax asset not recognised would have increased by £34,413.

5 Deferred tax

	31 March 2022 £	31 March 2021 £
At beginning of year	-	-
Charged to profit or loss	-	-
At year end	-	-

The deferred tax liability is made up of the following:

	31 March 2022 £	31 March 2021 £
Allowable losses carried forward	(108,974)	(108,974)
Unrealised gains on investments	-	-
Deferred tax asset unrecognised	108,974	108,974
	-	-

Averon Park Limited has a recognised deferred tax liability of £nil (2021: £nil) on unrealised gains on investments and a recognised deferred tax asset of £nil (2021: £nil) on unrelieved corporation tax losses. As permitted under UK GAAP, these deferred tax liabilities and assets were offset in the prior year. There is an unrecognised deferred tax asset of £108,974 (2021: £108,974) on unrelieved corporation tax losses.

Notes to the Financial Statements (continued)

6 Investments at fair value through profit or loss

	31 March 2022	31 March 2021
	£	£
Book cost at beginning of year	602,268,599	588,253,497
Investment holding gains	40,436,456	1,119,586
Valuation at beginning of year	642,705,055	589,373,083
Movements in the year:		
Purchases at cost	146,560,002	53,294,787
Disposal proceeds	(6,200,000)	(22,589,078)
Realised losses on investments	-	(16,690,607)
Unrealised gains on investments	110,651,839	39,316,870
Valuation at year end	893,716,896	642,705,055
Book cost at year end	742,628,601	602,268,599
Closing investment holding gains	151,088,295	40,436,456
Valuation at year end	893,716,896	642,705,055

Additions in the year were for Blackmead Infrastructure Limited, Fresh Thinking Capital Two Limited and Romaco SPV 5 Limited.

Within the year repayments of loan notes were received from Brighter Green Engineering Limited and Romaco SPV 5 Limited.

7 Debtors

	31 March 2022	31 March 2021
	£	£
Loan interest receivable	609,290	646,974
AITs settlement facility	796,044	464,334
Management service income receivable	44,066	296,070
Other debtors	451,694	161,185
	1,901,094	1,568,563

Notes to the Financial Statements (continued)

8 Creditors: amounts falling due within one year

	31 March 2022	31 March 2021
	£	£
Accruals	1,220,366	665,648
Amounts payable to subsidiary undertakings	-	6,900
Other creditors	33,636	26,297
	<u>1,254,002</u>	<u>698,845</u>

9 Capital and reserves

Allotted, called up and fully paid:

	31 March 2022	31 March 2021
	£	£
823,972,625 (2021: 664,925,336) ordinary shares of £0.00675209227014792 each (2021: £0.00675209227014792 each).	5,563,539	4,489,637

During the year, the Company issued a net 159,047,289 shares for net proceeds of £163,927,060.

10 Financial instrument risk management

The Company's financial instruments comprise:

- Equity shares, debt securities and fixed interest securities that are held in accordance with the Company's business objective.
- Cash, liquid resources, short-term debtors and creditors that arise directly from the Company's operations.

The following categories of financial instruments, all of which are included in the Balance Sheet at fair value through the profit or loss, were held at 31 March 2022:

	31 March 2022	31 March 2021
	£	£
Investments held at fair value through profit or loss	<u>893,716,896</u>	<u>642,705,055</u>

Notes to the Financial Statements (continued)

10 Financial instrument risk management (continued)

The Company's trading portfolio exposes it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk.

10.1 Market risk

At 31 March 2022, the Company's market risk is affected by three main components: price risk, foreign currency risk and interest rate risk.

(a) Price risk

Market price risk arises from uncertainty about the future prices of financial instruments held in accordance with the Company's business objectives. It represents potential loss that the Company might suffer through holding market positions in the face of market movements.

The equity and fixed interest stocks of unquoted companies are rarely traded and as such the prices are more volatile than those of more widely traded securities. In addition, the ability of the Company to realise these assets at their carrying value may at times not be possible if there are no willing purchasers. The potential maximum exposure to market price risk, being the value of the portfolio as at 31 March 2022 was £893,716,896 (2021: £642,705,055).

The price of an investment within three months from the measurement date is used as an estimate of fair value as the Directors judge this to be a reasonable indicator of fair value. An assessment is performed at each measurement date for any changes or events subsequent to the relevant transaction that would imply a change in the investment's fair value. Assets under construction will be valued at cost until operations begin. Where such a basis is no longer appropriate, fair value is determined by either using discounted cash flow valuation techniques or via a discounted earnings multiple where appropriate. There is an additional valuation risk that there will be changes in the inputs and assumptions into the discounted cash flow model. This is discussed in further detail on pages 31 to 35.

Where a discounted cash flow valuation basis is not appropriate, for example, when an underlying project has been sold, a net asset valuation may be applied. Quoted investments are valued at quoted share price.

(b) Foreign currency risk

Foreign currency risk arises from uncertainty about the future of foreign exchange rates to the Company's functional currency. It represents potential loss that the Company might suffer through investing in assets overseas.

The Company is predominantly invested in UK based companies. Where the Company has invested in overseas companies, the Manager has hedged each investment against such foreign currency fluctuations where appropriate.

Notes to the Financial Statements (continued)

10 Financial instrument risk management (continued)

(c) Interest rate risk

The fair value of the Company's fixed rate securities and cash may be affected by interest rate movements. The investments at fair value through profit or loss may be sensitive to interest rate fluctuations. When making purchases of an equity and debt nature, consideration is given during the structuring process to the potential implications of interest rate risk and the resulting purchase is structured accordingly. The maximum direct exposure to interest rate risk as at 31 March 2022 was £11,233,034 (2021: £10,874,340), being the total value of loan notes in the Company's direct portfolio. The maximum indirect exposure to interest rate risk as at 31 March 2022 was £417,063,439 (2021: £364,513,307), being the total value of loan notes in the wider portfolio. This figure excludes the cash balance as at 31 March 2022 which is not disclosed because the Board does not consider exposure to interest rate risk to be significant.

	Total fixed portfolio 31 March 2022 £	Weighted average interest rate 31 March 2022 %	Weighted average time for which rate is fixed 31 March 2022 Days
Loan stock exposed to fixed interest rate risk	1,287,170	0.6	-
Loan stock exposed to variable interest rate risk	9,945,864	7.1	-
Total exposed to interest rate risk	11,233,034		

	Total fixed portfolio 31 March 2021 £	Weighted average interest rate 31 March 2021 %	Weighted average time for which rate is fixed 31 March 2021 Days
Loan stock exposed to fixed interest rate risk	2,038,476	3.5	-
Loan stock exposed to variable interest rate risk	8,835,864	7.0	-
Total exposed to interest rate risk	10,874,340		

10.2 Credit risk

Credit risk is the risk of failure by counterparties to deliver securities which the Company has paid for, or the failure by counterparties to pay for securities which the Company has delivered. The Company has exposure to credit risk in respect of the loan stock in and interest receivable from investee companies, and cash held at bank. Foresight Group LLP receives management accounts from portfolio companies, and members of the Foresight Group LLP management team sit on the board of portfolio companies; this enables the close identification, monitoring and management of company-specific credit risk. All cash is held with HSBC Bank plc, a multi-national financial institution with an A+ rating.

At the reporting date, the Company's financial assets exposed to credit risk amounted to the following:

	31 March 2022 £	31 March 2021 £
Investment in loan notes	11,233,034	10,874,340
Cash and cash equivalents	37,681,369	28,680,548
Debtors	1,901,094	1,568,563
	<u>50,815,497</u>	<u>41,123,451</u>

Notes to the Financial Statements (continued)

10 Financial instrument risk management (continued)

10.3 Liquidity risk

The equity and debt investments in unquoted companies are not traded in active markets and are therefore not readily realisable. The ability of the Company to realise its investments at fair value through profit or loss at their carrying value may at times not be possible if there are no willing purchasers.

To counter these risks to the Company's liquidity, the Investment Manager maintains sufficient cash to meet running costs and other commitments.

At the reporting date, the maturity profile of the Company's direct loan stock investments was as follows:

	31 March 2022	31 March 2021
	£	£
In one year or less	3,173,034	2,424,340
In more than one year but less than two years	500,000	6,950,000
In more than two years but less than three years	1,000,000	500,000
In more than three years but less than four years	6,560,000	1,000,000
In more than four years but less than five years	-	-
Total	11,233,034	10,874,340

At the reporting date, the Company's investments at fair value through profit or loss were categorised as follows:

	31 March 2022	31 March 2021
	£	£
Quoted investments	107,560,589	30,387,561
Unquoted investments	786,156,307	612,317,494
Total investments at fair value through profit or loss	893,716,896	642,705,055

10.4 Fair value hierarchy

The following shows the financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Inputs for the instrument that are not based on observable market data (unobservable inputs) (Level 3).

	31 March 2022	31 March 2021
	£	£
Quoted investments – level 1	107,560,589	30,387,561
Unquoted investments – level 3	786,156,307	612,317,494
	893,716,896	642,705,055

Notes to the Financial Statements (continued)

10 Financial Instrument risk management (continued)

10.5 Transfers

During the year there were no transfers between levels 1, 2 or 3.

10.6 Sensitivity analysis of changes in key inputs and assumptions which may significantly change valuations

For each class of fair valued instruments, if changing one or more of the inputs or reasonably possible alternative assumptions would change the fair value significantly, FRS 102 requires an entity to state the fact and disclose the effect of those changes.

Onshore Wind

The Company's wind investments are valued with reference to the discounted value of future cash flows. A broad range of assumptions are used in the valuation models, these assumptions are based on long-term forecasts and are not affected by short term fluctuations in inputs, be it economic or technical. The Directors consider the valuation methodology used, including the key assumptions and discount rate applied, to be realistic. The Board reviews, at least quarterly, the valuation inputs and where possible, make use of observable market data to ensure valuations reflect the fair value of the investments. The key inputs into the valuations for the Company's wind investments are discount rate, energy yield (load factor and availability of the wind farm), power price, the terms of the power purchase agreements entered into, operating costs to run the plant, finance costs, taxation and the useful lives of the assets.

Energy yield is determined by certified independent technical advisors who were instructed to conduct due diligence on the assets prior to acquisition. On-site visits are performed to conduct site verification and verify performance analyses to corroborate energy yield figures. If the actual energy yield of the investments were to be lower than forecast this would result in a reduction in investment valuations.

The majority of operating costs in the valuation models are based on contractual agreements with a few exceptions based on historical data. The Directors do not foresee any material change, however an increase in operating costs would result in a reduction in investment valuations.

The price of the energy generated by the wind investments is determined by Power Purchase Agreements (PPAs) which guarantee the receipt of a fixed percentage of the day ahead market price. The projects have contracts in place for the medium term to guarantee all electricity produced can be sold. Directors do not expect to see a change in prices following the expiration of agreements, however an increase in power prices would result in an increase in the valuation of investments.

As at 31 March 2022, the discount rate used to value wind assets was 7.0% geared and 6.0% ungeared. The Directors do not expect to see a significant change in the discount rates applied within the Wind Infrastructure sector.

The majority of the assets' useful lives are 30 years, in line with industry-wide practice. In some instances, formal lease agreements may not cover the full 30 years but in accordance with industry-wide practice we expect that wind farms will remain functional for the full 30 years. Two sites have useful lives of 18 years and 25 years.

A significant change in any of the key inputs and assumptions used could impact the value of Onshore Wind investments. Onshore Wind investments held at fair value constitute £136.2 million (15%) of the portfolio. If there were a 5% change in the value of the Onshore Wind assets, this would have a £6.8 million impact upon the Company; a 10% change in the value of the Onshore Wind assets would have a £13.6 million impact. The remainder of the Onshore Wind portfolio is held at price of recent investment.

Notes to the Financial Statements (continued)

10 Financial instrument risk management (continued)

10.6 Sensitivity analysis of changes in key inputs and assumptions which may significantly change valuations (continued)

Solar

The Company's Solar Investments are valued with reference to the discounted value of future cash flows. A broad range of assumptions are used in the valuation models, these assumptions are based on long-term forecasts and are not affected by short term fluctuations in inputs, be it economic or technical. The Directors consider the valuation methodology used, including the key assumptions and discount rate applied, to be realistic. The Board reviews, at least quarterly, the valuation inputs and where possible, make use of observable market data to ensure valuations reflect the fair value of the Investments. The key inputs into the valuations for the Company's Solar Investments are discount rate, energy yield (sun irradiance and the performance ratio of the solar panels), power price, the terms of the Power Purchase Agreements entered into, operating costs to run the plant, finance costs, taxation and the useful lives of the assets.

Energy yield is determined by certified Independent engineers based on system capacity, irradiance, geography and meteorological data. On-site visits are performed to conduct site verification and verify performance analyses to corroborate energy yield figures. If the actual energy yield of the Investments were to be lower than forecast this would result in a reduction in investment valuations.

The majority of operating costs in the valuation models are based on contractual agreements, with a few exceptions based on historical data. The Directors do not foresee any material change, however an increase in operating costs would result in a reduction in investment valuations.

The price of the energy generated by the solar investments is determined by PPAs which guarantee the receipt of a fixed percentage of the day ahead market price. The projects have contracts in place for the medium term to guarantee all electricity produced can be sold. The Directors do not expect to see a change in prices following the expiration of agreements, however an increase in power prices would result in an increase in the valuation of investments.

As at 31 March 2022, the discount rate used to value solar assets was 6.75% geared and 5.25% ungeared. The Directors do not expect to see a significant change in the discount rates applied within the Solar Infrastructure sector.

The useful life of assets is between 25 and 35 years, supported by the necessary land rights.

A significant change in any of the key inputs and assumptions used could materially impact the value of the Solar Investments. Solar Investments held at fair value constitute £97.1 million (11%) of the portfolio. If there were a 5% change in the value of the Solar assets, this would have a £4.9 million impact upon the Company; a 10% change in the value of the Solar assets would have a £9.7 million impact. The remainder of the Solar trading portfolio is held at price of recent investment.

Notes to the Financial Statements (continued)

10 Financial instrument risk management (continued)

10.6 Sensitivity analysis of changes in key inputs and assumptions which may significantly change valuations (continued)

Reserve Power

The Company's Reserve Power Investments are valued with reference to the discounted value of future cash flows. A broad range of assumptions are used in the valuation models. These assumptions are based on long-term forecasts and are not affected by short term fluctuations in inputs, be it economic or technical. The Directors consider the valuation methodology used, including the key assumptions and discount rate applied, to be prudent. The Board reviews, at least quarterly, the valuation inputs and where possible, make use of observable market data to ensure valuations reflect the fair value of the investments. The key inputs into the valuations for the Company's Reserve Power Investments are discount rate, long term half hourly power prices, Short Term Operating Reserve (STOR) utilisation/availability rates, operating costs to run the plant, taxation and the useful lives of the assets.

Foresight have engaged Baringa as a market advisor to provide forecasts for the various revenue streams available to reserve power assets. Baringa model the long-term energy outlook-based market fundamentals, including commodity prices, capacity demand and supply, and system volatility. Based on this outlook they derive long term half hourly power prices. The operating strategy is then informed by a detailed bottom-up analysis by overlaying the individual cost-base of each projects in order to calculate the minimum revenue that must be secured in order to justify generating electricity for every half hour period over the project's lifetime. Applying this methodology, Baringa provide us with long term forecasts for gross margin achievable in the wholesale and STOR markets. If the actual forecasted gross margin achievable in wholesale and STOR markets were to be lower than forecast, this would result in a reduction in investment valuations.

The operating costs are split into variable and fixed elements. The variable cost of generation in the valuation models is largely determined by site specific engine efficiencies and Baringa's long term forecast of gas and carbon prices. The remaining elements of the variable cost are based on contractual arrangements. The majority of the fixed operating costs in the valuation models are based on contractual agreements, with a few exceptions based on historical data. The Directors do not foresee any material change, however an increase in operating costs would result in a reduction in investment valuations.

As at 31 March 2022, the discount rate used to value reserve power assets was 9.5% on an unlevered basis. The Directors do not expect to see a significant change in the discount rates applied within the reserve power infrastructure sector however an increase in the discount rates used would result in a reduction in the valuation of the investments. A reduction in the discount rates used would result in an increase in the investment valuations.

The useful life of assets range between 25 and 30 years, depending on current lease and planning terms. If the lease and planning terms were to be extended further, this would result in an increase in investment valuations.

A significant change in any of the key inputs and assumptions used could materially impact the value of the Reserve Power Investments. Reserve Power investments held at fair value constitute £115.9 million (13%) of the portfolio. If there was a 5% change in the value of the Reserve Power assets, this would have a £5.8 million impact upon the Company; a 10% change in the value of the Reserve Power assets would have a £11.6 million impact.

Notes to the Financial Statements (continued)

10 Financial instrument risk management (continued)

10.6 Sensitivity analysis of changes in key inputs and assumptions which may significantly change valuations (continued)

Other Infrastructure

This is primarily comprised of listed infrastructure investments which are valued at their daily share price. Investments held at fair value constitute £105.5 million (12%) of the portfolio. If there was a 10% change in the value of these investments, this would have a £10.6 million impact upon the Company. The remainder of the Other Infrastructure portfolio is held at price of recent investment.

Forestry

The forestry sites are valued with reference to the discounted value of future cash flows. A broad range of assumptions are used in the valuation models. These assumptions are based on long-term forecasts and are not affected by short term fluctuations in inputs, be they economic or technical.

Revenue is mostly derived from the sale of timber, with ancillary income (e.g. renewable energy leases and ecotourism) sourced on an opportunistic basis. Timber revenue is calculated by forecasting the expected volume of timber felled in each year of the project's life and applying to it timber pricing in 2022 real terms. An inflation adjustment is then applied to forecast the future timber revenues.

Most of the capital expenditure occurs during project establishment and at the end of a rotation cycle to facilitate harvesting and restocking. Comparatively, the level of operational expenditure remains relatively consistent throughout the project life. Costs in the model are based on a combination of contractual agreements and estimates in consultation with third-party forestry practitioners. The Directors do not foresee material increases in operational or capital expenditure beyond what is forecast.

Unlike renewable energy projects that have a limited useful life of c. 35 years, forestry is a perpetual asset. The Directors assume that the terminal value of a forest is derived in year 40, which matches a typical full rotation cycle for conifers in the UK. The terminal value is composed of a combination of the expected land value and forecasted value of standing timber. The terminal value is input in present day real terms and then has an inflation adjustment applied to it.

The key valuation inputs are the discount rate and the inflation curves applied to timber revenues and the terminal value. For established commercial woodland, all project cashflows aside from renewable energy lease income are discounted at 6.5%.

For afforestation, the process of planting commercial woodlands, all project cashflows (aside from renewable energy lease income) are discounted at 7.0% to reflect the development risk associated with project establishment.

Renewable energy lease income is discounted at 4.5% for both forestry and afforestation projects.

Timber prices are inflated at 5.0% annually, which is in line with the Compound Annual Growth Rate (CAGR) of UK timber prices over the last 25 years. Land prices are inflated at a UK Consumer Price Index (CPI) forecast with a margin of +1.0% applied.

Forestry investments held at fair value constitute £65.0 million (7%) of the portfolio. If there was a 10% change in the value of these investments, this would have a £6.5 million impact upon the Company. The remainder of the Forestry portfolio is held at price of recent investment.

Notes to the Financial Statements (continued)

10 Financial Instrument risk management (continued)

10.6 Sensitivity analysis of changes in key inputs and assumptions which may significantly change valuations (continued)

Biomethane refuelling

The biomethane refuelling sites are valued with reference to the discounted value of future cash flows. A broad range of assumptions are used in the valuation models. These assumptions are based on long-term forecasts and are not affected by short term fluctuations in inputs, be they economic or technical.

Revenues are determined as part of Fuel Supply Agreements (FSA) with which the majority of the customer contracts are consistent. The fuel sales price comprises of the monthly wholesale price of natural gas per kg plus Fuel Duty plus a Compression Charge which is charged to the consumer above and beyond fuel duty and wholesale gas as part of the FSA.

The operating costs are split into variable and fixed electricity and gas costs. The variable electricity costs in the valuation models are driven by the wholesale power price curve and retail power prices provided by a blend of AFRY and Baringa reflecting their long-term forecast of electricity prices. The variable gas costs are based on historic gas shipping prices. The fixed electricity costs are based on standing charges with the fixed gas prices based on historical gas shipping charges as well as network and admin charges. Operational and maintenance cost assumptions in the valuation models are driven by service fees and various planned and unplanned maintenance costs including inspection and certification and gas meter costs.

The useful life of assets is beyond 20 years with the investment life viewed to be 15 years.

As at 31 March 2022, the discount rate used to value biomethane refuelling assets in operation was 10% with assets in construction being held at price of recent investment.

Biomethane refuelling investments held at fair value constitute £46.2 million (5%) of the portfolio. If there was a 10% change in the value of these investments, this would have a £4.6 million impact upon the Company.

Other Investments

The remainder of the portfolio (£233.3 million or 26%) is primarily held at cost. Other Investments held at fair value constitute £22.5 million (3%) of the portfolio. If there was a 10% change in the value of these investments, this would have a £2.3 million impact upon the Company. The remainder of other Investments are held at price of recent investment.

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Notes to the Financial Statements (continued)

11 Related undertakings

The companies in which the Company's interest at the year end is more than 20% are as follows:

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Blackmead Infrastructure Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar projects	Direct	Ordinary shares, 100%
Brighter Green Engineering Ltd	Unit 5 Barnes Wallis Court Wellington Road, Cressex Business Park, High Wycombe, England, HP12 3PS	Operations and maintenance contractor	Direct	Ordinary shares, 100%
Industrial Efficiency II Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar energy efficiency projects	Direct	Ordinary shares, 81.2%
Industrial Efficiency Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Energy efficiency projects	Direct	Ordinary shares, 100%
Romaco SPV 5 Ltd	15 Carnarvon Street, Manchester, England, M3 1HJ	Secured property bridging loans	Direct	B Ordinary shares, 100%
Wharfedale SPV (Holdings) Ltd	Kelvin House, Buchanan Gate Business Park, Stepps, Glasgow, G33 6FB	Hospital Infrastructure PFI	Direct	Ordinary shares, 25%
Wharfedale SPV Ltd	Kelvin House, Buchanan Gate Business Park, Stepps, Glasgow, G33 6FB	Infrastructure management	Indirect	Ordinary shares, 25%
Fresh Thinking Capital Two Ltd	Park House, Park Square West, Leeds, England, LS1 2PW	Secured business loans	Direct	B Ordinary shares, 100%
Ardross Infrastructure Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Litigation Finance	Indirect	Ordinary shares, 100%
FS Ford Farm Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar projects	Indirect	Ordinary shares, 100%
FS Ford Farm Solar 1 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
FS Hayford Farm Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar projects	Indirect	Ordinary shares, 100%
WSS Hayford Farm Solar Park Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
FS Tope Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar projects	Indirect	Ordinary shares, 100%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Tope Farm Solar Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Blackmead Forestry III Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Forestry	Indirect	Ordinary shares, 100%
Foresight Schools Stafford Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	School infrastructure PFI	Indirect	Ordinary shares, 100%
Total School Solutions Ltd	4 Manchester Square, London, W1U 3PD	School infrastructure PFI	Indirect	Ordinary shares, 50%
Drumglass Holdco Ltd	Cannon Place, 78 Cannon Street, London, England, EC4N 6AF	School Infrastructure PFI	Indirect	Ordinary shares, 100%
Drumglass Investments Ltd	Cannon Place, 78 Cannon Street, London, England, EC4N 6AF	School infrastructure PFI	Indirect	Ordinary shares, 100%
Campus Projects (Drumglass) Ltd	Cannon Place, 78 Cannon Street, London, United Kingdom, EC4N 6AF	School infrastructure PFI	Indirect	Ordinary shares, 100%
Blackmead Rooftop Holdco Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar projects	Indirect	Ordinary shares, 100%
Blackmead Rooftop 1 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar projects	Indirect	Ordinary shares, 100%
Barnfield Energy Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Boyd Energy Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Browning Power Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Flintly Power Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Greshdown Energy Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Joply Power Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%

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Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Pepys Power Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Sampton Energy Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Shawley Energy Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Tellington Power Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
SPC Acquisitions Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Heliox Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Solar Sun Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Heliox II Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Solar Sun 2 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Heliox III Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Solar Sun 3 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Heliox IV Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Solar Sun 4 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Heliox V Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Solar Sun 5 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Heliox VII Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Solar Sun 7 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Heliox VIII Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Solar Sun 8 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Heliox IX Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Solar Sun 9 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Heliox XI Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Roof Solar PV Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Heliox XII Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Rooftop solar projects	Indirect	Ordinary shares, 100%
Roof Solar PV 1 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Generation of electricity	Indirect	Ordinary shares, 100%
Mercia Power Response (Holdings) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Adela Energy Ltd	Strelley Hall Main Street, Strelley, Nottingham, England, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 28.69%
FRP Mercia Holdco 2 Ltd	Strelley Hall, Main Street, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Bradberry Balk Lane) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%

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Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Mercia Power Response (Geddington Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Fulwood Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Wellington Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Common Side Lane) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Holditch Power Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Hatton) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Fordbridge Lane) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Riby Street) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Sookholme Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (High View Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Mansfield Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Woolaston Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Carlisle Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Darnall Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
FRP Mercia Holdco Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Mercia Power Response (Common Lane) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (The Wood Yard) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Whittington Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Private Road No.5) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Nottingham Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Manners Avenue 2) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Cuckoo Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Chesterfield Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Asher Lane 2) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Albion Close) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Pontefract Road) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Graphite Way) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Sandy Lane) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Mercia Power Response (Outgang Lane) Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Exeter RP Ltd	Strelley Hall Main Street, Strelley, Nottingham, United Kingdom, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Ilkeston Power Ltd	Strelley Hall Main Street, Strelley, Nottingham, England, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Amalgamated Smart Metering Ltd	Strelley Hall Main Street, Strelley, Nottingham, England, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Durham RP Ltd	Strelley Hall Main Street, Strelley, Nottingham, England, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Westfield SM Ltd	Strelley Hall Main Street, Strelley, Nottingham, England, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
Reserve Power Trading Ltd	Strelley Hall Main Street, Strelley, Nottingham, England, NG8 6PE	Reserve power projects	Indirect	Ordinary shares, 57.37%
FRP Shirebrook Holdco Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Reserve power projects	Indirect	Ordinary shares, 100%
Thornton Estate Energy Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Reserve power projects	Indirect	Ordinary shares, 91.47%
FW Discovery Holdco Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
FW Discovery Holdco 2 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
Second Generation Ltd	First Floor St James House, 13 Kensington Square, London, United Kingdom, W8 5HD	Wind power	Indirect	Ordinary shares, 100%
Jute Holdings Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
Frodsham Wind Farm Holdings Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
Frodsham Wind Farm Finance Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
Frodsham Wind Farm Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
Petersham Energy Ltd	Second Floor Hanover House, 47 Corn Street, Bristol, England, BS1 1HT	Wind power	Indirect	Ordinary shares, 100%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Shepham Holdco Ltd	Second Floor Hanover House, 47 Corn Street, Bristol, England, BS1 1HT	Wind power	Indirect	Ordinary shares, 100%
Second Generation Shepham Ltd	Second Floor Hanover House, 47 Corn Street, Bristol, England, BS1 1HT	Wind power	Indirect	Ordinary shares, 100%
Second Generation Bottonnett Ltd	Second Floor Hanover House, 47 Corn Street, Bristol, England, BS1 1HT	Wind power	Indirect	Ordinary shares, 100%
FW Kinegar Holdco Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
Kinegar Wind Farm Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
FW MBB Holdco Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
FW NP Holdco Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
North Pickenham Windfarm LLP	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
Greenmead AD Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Anaerobic digestion projects	Indirect	Ordinary shares, 100%
Gorthill AD Ltd	3 High Street, Larne, Northern Ireland, BT40 1JN	Generation of electricity	Indirect	Ordinary shares, 25.5%
Kilmoyle AD Ltd	9 Kilmoyle Road, Ballymoney, County Antrim, Northern Ireland, BT53 6NR	Generation of electricity	Indirect	Ordinary shares, 25.5%
FW G&T Wind Holdings Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
CEP Wind 1 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
CEP Wind 2 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
CEP Wind 3 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Gruig Wind Farm Ltd	The Soloist, Pinsent Masons Llp, 1 Lanyon Place, Belfast, Northern Ireland, BT1 3LP	Wind power	Indirect	Ordinary shares, 100%
Todmorden Moor Wind Farm Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
Pentre Solar Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar projects	Indirect	Ordinary shares, 100%
Balls Wood Solar Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar projects	Indirect	Ordinary shares, 100%
Signature Property Finance Holdings Ltd	Avon House 435 Stratford Road, Shirley, Solihull, West Midlands, United Kingdom, B90 4AA	Asset-backed lending	Indirect	Ordinary shares, 69.28%
Foresight ITA VCT Holdings S.r.l.	Via Fiori Oscurl n. 11, 20121 Milan	Solar projects	Indirect	Ordinary shares, 100%
ForVEI II S.r.l.	Via Eugenio Chiesa n. 4, 20122 Milan	Solar projects	Indirect	Ordinary shares, 37.15%
FV Holding I Srl	Via Eugenio Chiesa n. 4, 20122 Milan	Solar projects	Indirect	Ordinary shares, 37.15%
FV Holding III Srl	Via Eugenio Chiesa n. 4, 20122 Milan	Solar projects	Indirect	Ordinary shares, 37.15%
FV Holding II Srl	Via Eugenio Chiesa n. 4, 20122 Milan	Solar projects	Indirect	Ordinary shares, 37.15%
Belicenergia S.r.l.	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%
Energy Creation S.r.l.	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%
FV Sicily S.r.l.	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%
Solare Due S.r.l.	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%
Solar Project 1 S.R.L	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Manduria Uno S.r.l.	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%
FV Apulia S.r.l.	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%
Monselice Solar S.r.l.	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%
Avetrana Tre S.r.l.	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%
Balsorano Energia Srl	Via Eugenio Chiesa n. 4, 20122 Milan	Generation of electricity	Indirect	Ordinary shares, 37.15%
Foresight Belltown UK Wind Development Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Wind power	Indirect	Ordinary shares, 100%
Belltown Power UK Wind Ltd	Second Floor Hanover House, 47 Corn Street, Bristol, England, BS1 1HT	Wind power	Indirect	Ordinary shares, 90.91%
Blackmead Infrastructure Spain S.L.	Rambla de Catalunya, 38, 6, 08007 Barcelona, Spain	Solar projects	Indirect	Ordinary shares, 100%
Foresight Iberian Solar Group Holding Spain S.L.	Rambla de Catalunya, 38, 6, 08007 Barcelona, Spain	Solar projects	Indirect	Ordinary shares, 25%
Lua Energy Power, S.L.	Rambla de Catalunya, 38, 6, 08007 Barcelona, Spain	Generation of electricity	Indirect	Ordinary shares, 25%
Solana Power, S.L.U.	Rambla de Catalunya, 38, 6, 08007 Barcelona, Spain	Generation of electricity	Indirect	Ordinary shares, 25%
Fotovoltaica Guzman I S.L.U.	Rambla de Catalunya, 38, 6, 08007 Barcelona, Spain	Generation of electricity	Indirect	Ordinary shares, 25%
Sunna Power, S.L.U.	Rambla de Catalunya, 38, 6, 08007 Barcelona, Spain	Generation of electricity	Indirect	Ordinary shares, 25%
Gestion de Proyectos Solares S.L.	Rambla de Catalunya, 38, 6, 08007 Barcelona, Spain	Generation of electricity	Indirect	Ordinary shares, 25%
Star Power Energy, S.L.U.	Rambla de Catalunya, 38, 6, 08007 Barcelona, Spain	Generation of electricity	Indirect	Ordinary shares, 25%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Foresight S.C.A. SICAV-SIF	68-70, Boulevard de la Pétrusse, L-2320 Luxembourg	Solar projects	Indirect	Ordinary shares, 26.67%
Mauvetramp Ltd	Clarence House, 133-135 George Street, Edinburgh, Scotland, EH2 4JS	Forestry	Indirect	Ordinary shares, 100%
Foresight UK Solar Development Holdco Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Solar projects	Indirect	Ordinary shares, 100%
Dunmore Solar Development Ltd	Audley House 3rd Floor 9 North Audley Street, London, United Kingdom, W1K 6ZD	Solar projects	Indirect	Ordinary shares, 51%
Foresight Island GP Solar Portfolio Ltd	Unit 20.2 Coda Studios 189 Munster Road, London, Greater London, England, SW6 6AW	Solar projects	Indirect	Ordinary shares, 51%
EEB38 Ltd	The Old Rectory, Church Street, Weybridge, Surrey, England, KT13 8DE	Solar projects	Indirect	Ordinary shares, 51%
EEB19 Ltd	The Old Rectory, Church Street, Weybridge, Surrey, England, KT13 8DE	Solar projects	Indirect	Ordinary shares, 51%
EEB15 Ltd	The Old Rectory, Church Street, Weybridge, Surrey, England, KT13 8DE	Solar projects	Indirect	Ordinary shares, 51%
EEB41 Ltd	The Old Rectory, Church Street, Weybridge, Surrey, England, KT13 8DE	Solar projects	Indirect	Ordinary shares, 51%
EEB43 Ltd	The Old Rectory, Church Street, Weybridge, Surrey, England, KT13 8DE	Solar projects	Indirect	Ordinary shares, 51%
EEB47 Ltd	The Old Rectory, Church Street, Weybridge, Surrey, England, KT13 8DE	Solar projects	Indirect	Ordinary shares, 51%
Euston Solar Farm Ltd	Unit 20.2 Coda Studios 189 Munster Road, London, Greater London, England, SW6 6AW	Solar projects	Indirect	Ordinary shares, 51%
Lullington Solar Park Ltd	Unit 20.2 Coda Studios 189 Munster Road, London, Greater London, England, SW6 6AW	Solar projects	Indirect	Ordinary shares, 51%
Camblesforth Solar Farm Ltd	Unit 20.2 Coda Studios 189 Munster Road, London, Greater London, England, SW6 6AW	Solar projects	Indirect	Ordinary shares, 51%
Brynnrhyd Solar Farm Ltd	Unit 20.2 Coda Studios 189 Munster Road, London, Greater London, England, SW6 6AW	Solar projects	Indirect	Ordinary shares, 51%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Laughton Solar Park Ltd	Unit 20.2 Coda Studios 189 Munster Road, London, Greater London, England, SW6 6AW	Solar projects	Indirect	Ordinary shares, 51%
West Burton Solar Project Ltd	Unit 20.2 Coda Studios 189 Munster Road, London, England, SW6 6AW	Solar projects	Indirect	Ordinary shares, 51%
Camblesforth-Carlton Holdco Ltd	Unit 20.2 Coda Studios 189 Munster Road, London, England, SW6 6AW	Solar projects	Indirect	Ordinary shares, 51%
RF Brown Holdings Ltd	Leckie Drive, Allanshaw Industrial Estate, Hamilton, United Kingdom, ML3 9FN	Asset leasing	Indirect	Ordinary shares, 24.87%
RF Brown Ltd	Leckie Drive, Allanshaw Industrial Estate, Hamilton, United Kingdom, ML3 9FN	Asset leasing	Indirect	Ordinary shares, 24.87%
PP ESCO (Springfield) Ltd	8th Floor Holborn Tower, 137-144 High Holborn, London, United Kingdom, WC1V 6PL	District heating	Indirect	Ordinary shares, 90.4%
PP ESCO DivisionCo Ltd	8th Floor Holborn Tower, 137-144 High Holborn, London, United Kingdom, WC1V 6PL	District heating	Indirect	Ordinary shares, 90%
PP New ESCO Holdco Ltd	8th Floor Holborn Tower, 137-144 High Holborn, London, United Kingdom, WC1V 6PL	District heating	Indirect	Ordinary shares, 90%
PP ESCO (Clapham Park) Ltd	8th Floor Holborn Tower, 137-144 High Holborn, London, United Kingdom, WC1V 6PL	District heating	Indirect	Ordinary shares, 90%
CNG Foresight Holding Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Compressed natural gas	Indirect	Ordinary shares, 75%
CNG Foresight Ltd	Fib Accountants Up 250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%
CNG Station Holdings Ltd	250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%
CNG Leyland Ltd	250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%
Lavant Down Northampton Ltd	250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Hams Warrington Ltd	250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%
CNG Knowsley Ltd	250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%
Oxford Erdington Ltd	250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%
CNG Eurocentral Ltd	250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%
CNG Avonmouth North Ltd	250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%
CNG Castleford Ltd	250 Wharfedale Road, Winnersh Triangle, Wokingham, Berkshire, United Kingdom, RG41 5TP	Compressed natural gas	Indirect	Ordinary shares, 75%
Foresight Fibre HoldCo Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Fibre broadband	Indirect	Ordinary shares, 100%
Lightning Fibre HoldCo Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Fibre broadband	Indirect	Ordinary shares, 79.95%
Lightning Fibre Ltd	17 Connect 27 Business Park, Twin Oaks Drive, Polegate, East Sussex, United Kingdom, BN26 6GP	Fibre broadband	Indirect	Ordinary shares, 79.95%
Durham Portugal Unipessoal Lda	Av. Dom João II 46 4º, 1990-095 Lisboa, Portugal	Solar projects	Indirect	Ordinary shares, 100%
SPC Acquisitions 4 Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Forestry	Indirect	Ordinary shares, 100%
Fibre Assets Holdco Ltd	The Shard, 32 London Bridge Street, London SE1 9SG	Fibre broadband	Indirect	A Ordinary shares, 81.25%
Fibre Assets Ltd	13 Southwick Mews, London, Greater London, England, England, W2 1JG	Fibre broadband	Indirect	Ordinary shares, 81.25%
Foresight Sustainable Forestry Company PLC	The Shard, 32 London Bridge Street, London SE1 9SG	Listed Forestry Fund	Indirect	Ordinary shares, 29.92%
Blackpark Energy Storage Ltd	Clarence House, 133-135 George Street, Edinburgh, Scotland, EH2 4JS	Battery storage	Indirect	Ordinary shares, 100%

Averon Park Limited

Notes to the Financial Statements (continued)

11 Related undertakings (continued)

Entity	Registered Address	Principal Activity	Direct / Indirect Holding	Class and Percentage of Shares Held
Foresight Global Real Infrastructure (LUX) fund	The Shard, 32 London Bridge Street, London SE1 9SG	Listed renewables and real infrastructure fund	Indirect	Ordinary shares, 90%
Rula Developments (Immingham) Ltd	Magdalen Centre Robert Robinson Avenue, The Oxford Science Park, Oxford, England, OX4 4GA	UK Land for waste to fuel projects	Indirect	A Ordinary shares, 100%, B Ordinary shares, 100%
FP Foresight Sustainable Future Themes Funds	The Shard, 32 London Bridge Street, London SE1 9SG	Listed sustainable development and decarbonisation fund	Indirect	Ordinary shares, 100%

Notes to the Financial Statements (continued)

12 Related party transactions

Foresight Group LLP is considered to be a related party by virtue of the fact that Gary Fraser, Director, was a member of Foresight Group LLP at the balance sheet date. Gary Fraser does not earn any remuneration as a Director. During the year Foresight Group LLP earned the following from Averon Park Limited:

	Fees earned by Foresight Group LLP from Averon Park Ltd in the year ended 31 March 2022	Fees earned by Foresight Group LLP from Averon Park Ltd in the year ended 31 March 2021
	£	£
Administration fees	16,280,768	11,651,475
Management fees	-	6,802,184
	16,280,768	18,453,659

At the year end, £796,044 (2021: £464,344) was due from Foresight Group LLP within debtors. Additionally, £814,499 (2021: £430,703) remained outstanding to Foresight Group LLP within creditors. The net amount owed to Foresight Group LLP at the year end was £18,455 (2021: £33,641 receivable from Foresight Group LLP).

Blackmead Infrastructure Limited, Brighter Green Engineering Limited, Fresh Thinking Capital Two Limited Industrial Efficiency Limited, Industrial Efficiency II Limited and Romaco SPV 5 Limited are considered related parties since they are subsidiaries of Averon Park Limited. Wharfedale SPV (Holdings) Limited is considered a related party since it is an associate of Averon Park Limited.

Notes to the Financial Statements (continued)

12 Related party transactions (continued)

Related party transactions for the above companies are as follows:

Year ended 31 March 2022

	Further Investment	Realisations	Interest recognised	Balance owed to Averon Park Ltd at year end (within debtors)	Balance owed by Averon Park Ltd at year end (within creditors)
	£	£	£	£	£
Blackmead Infrastructure Ltd	140,000,000	-	-	-	-
Brighter Green Engineering Ltd	-	(750,000)	-	-	-
Fresh Thinking Capital Two Ltd	2,560,002	-	114,792	-	-
Industrial Efficiency Ltd	-	-	(2,273)	-	-
Industrial Efficiency II Ltd	-	-	8,177	593,810	-
Romaco SPV 5 Ltd	4,000,000	(5,450,000)	398,770	-	-
Wharfedale SPV (Holdings) Ltd	-	-	30,869	15,480	-
	146,560,002	(6,200,000)	550,335	609,290	-

Year ended 31 March 2021

	Further Investment	Realisations	Interest recognised	Balance owed to Averon Park Ltd at year end (within debtors)	Balance owed by Averon Park Ltd at year end (within creditors)
	£	£	£	£	£
Ardross Infrastructure Ltd	-	(57,212)	-	-	-
Blackmead Infrastructure Ltd	49,281,200	-	-	-	-
Brighter Green Engineering Ltd	-	-	-	-	-
Drumglass Holdco Ltd	-	(1,973,823)	-	-	-
FS Ford Farm Ltd	-	(7,084,385)	70,799	-	-
FS Hayford Farm Ltd	-	(6,823,769)	6,180	-	-
FS Tope Ltd	-	(4,245,839)	20,861	-	-
Hospital Services Group Ltd	1,250,000	(1,250,000)	86,747	-	-
Industrial Efficiency Ltd	-	(274,000)	20,606	45,862	6,900
Industrial Efficiency II Ltd	-	-	106,637	585,633	-
Lelsure Efficiency Ltd	-	(880,050)	76,524	-	-
Knowle Park Holdings Ltd	1,763,587	-	-	-	-
Romaco SPV 5 Ltd	1,000,000	-	577,570	-	-
Wharfedale SPV (Holdings) Ltd	-	-	30,869	15,479	-
	53,294,787	(22,589,078)	996,793	646,974	6,900

Notes to the Financial Statements (continued)

12 Related party transactions (continued)

The Directors who held office during the year and their interests in the issued shares of £0.00675209227014792 (2021: £0.00675209227014792) each of the Company were as follows:

	31 March 2022 Ordinary shares	31 March 2021 Ordinary shares
Gary Fraser	-	-
Philip Jones	-	-
Graham Ross Russell	27,557	27,557

13 Legal parent entity

The legal parent of the Company is Foresight Fund Managers Limited (03135882), registered at The Shard, 32 London Bridge Street, London, United Kingdom, SE1 9SG.

14 Post balance sheet events

Since March 2022 the Company has issued 94,764,866 shares for £106,354,188 consideration.

Covid-19 continues to impact both the wider economy and the valuation of the Company's assets. The situation is being monitored and is factored into any investment and valuation decisions.