

Registered in England and Wales: No. 09530976

**AVIVA INVESTORS PiP SOLAR PV NO.1
LIMITED
ANNUAL REPORT AND FINANCIAL
STATEMENTS
31 DECEMBER 2021**



AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

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AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

DIRECTORS, OFFICERS AND OTHER INFORMATION

Directors

R J Day
S K McLachlan
D G Murphy

Company Secretary

Aviva Company Secretarial Services Limited
St Helen's
1 Undershaft
London
EC3P 3DQ

Investment Manager

Aviva Investors Global Services Limited ('Aviva Investors')
St Helen's
1 Undershaft
London
EC3P 3DQ

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

Banker

HSBC BANK PLC
INTERNATIONAL BRANCH
60 Fenchurch Street
London
EC3M 4BA

Registered Office

St Helen's
1 Undershaft
London
EC3P 3DQ

Company Number

Registered in England and Wales: No. 09530976

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors of the Company present their Strategic Report of the Company for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES OF THE COMPANY

The principal activity of the Company is that of a holding Company. The Company, together with all its subsidiary undertakings as set out in Note 10 is referred as the "Group". The principal activity of the Group is that of investment in a portfolio of solar panel assets. This will continue to be the principal activity of the Group for the foreseeable future.

REVIEW OF THE COMPANY'S BUSINESS

Objective and strategy

The objective of the Company is to achieve investment returns from investments in Solar Projects.

COMPANY PERFORMANCE

The financial position of the Company at 31 December 2021 is shown in the Statement of Financial Position on page 15 with the results shown in the Statement of Comprehensive Income on page 14.

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

CAPITAL MANAGEMENT AND OBJECTIVES

In 2021, the Company approved no allotment of shares (31 December 2020: no allotment of shares).

PURCHASES AND DISPOSALS

There were no purchases or disposals during the year ended 31 December 2021.

EVENTS AFTER THE REPORTING PERIOD

Events after the reporting year have been evaluated up to the date the audited financial statements were approved and authorised for issue by the Directors of Aviva Investors PiP Solar PV No.1 Limited and there are no events to be disclosed or adjusted for in these audited financial statements.

FUTURE DEVELOPMENTS

The Directors expect the general level of activity to be the same in the forthcoming year.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks arising in the company are market, interest rate, credit, operational and liquidity risks which are discussed in more detail below.

The Aviva Group's approach to risk and capital management

Aviva plc and its subsidiaries ("Aviva Group") operates within its own governance structure and priority framework. It also has its own established governance framework, with clear terms of reference for the Board and the Aviva Executive Committee and a clear organisation structure, with documented delegated authorities and responsibilities (largely through role profiles). Aviva has an Audit Committee, which includes shareholder representatives.

Management of financial and non-financial risks

The Company's exposure to different types of risk is limited by the nature of its business as follows:

COVID-19

On 30 January 2020, the World Health Organisation ('WHO') declared the coronavirus (COVID-19) a public health emergency, shortly followed by declaring a Global Pandemic on 11 March 2020. This had an unprecedented impact on economies and markets globally. On 22 February 2022 the United Kingdom government lifted all remaining COVID-19 restrictions. The Directors will continue to monitor the COVID-19 situation closely and act accordingly to protect the interests of investors.

Ukraine Russia conflict

Following the escalation of the conflict between Ukraine and Russia in February 2022 and the related economic sanctions imposed by various governments, the Directors are actively monitoring the situation and will assess any impact as it is deemed to arise. The Directors recognise that the overall impact of the conflict may not yet be apparent and do not underestimate the inevitable effect it will have on global financial markets, including any potential adverse impact on the Company and its investments. As at the date of approval of these financial statements, based on its assessment of the current situation and information available, the Directors do not envisage that this will have a material impact on the Company.

Market risk

The Company is exposed to market risk in relation to impairment of its investments held at cost. If the fair value of the investment is below the cost value an impairment would be required. Market risk is managed by ongoing proactive asset management.

Interest rate risk

The Company's principal exposure to interest rate risk comes from its loan borrowings from Aviva Investors PiP Solar PV Limited Partnership. The loan borrowings are index linked and issued at fixed rates which expose the Company to fair value interest rate risk. However, the Directors believe that there is minimal interest rate risk as the loan borrowings are with a related party and managed on a group basis.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Interest rate risk (continued)

The table below sets out the carrying amounts, by maturity, of the Company's financial instruments.

	Effective interest rate %	Less than 1 year £	1-5 years £	More than 5 years £	Total £
As at 31 December 2021					
Floating rate					
Cash	0.25	577	-	-	577
		<u>577</u>	<u>-</u>	<u>-</u>	<u>577</u>
Fixed rate					
Loan receivable - Renewable Clean Energy 3 Limited	3.76	-	-	1,307,240	1,307,240
Loan receivable - Westcountry Solar Solutions Limited	4.46	-	-	1,334,618	1,334,618
Loan receivable - 2015 Sunbeam Limited	5.06	-	-	2,921,142	2,921,142
Loan receivable - Electric Avenue Ltd	6.06	-	-	9,348,826	9,348,826
Loan receivable - 2015 Sunbeam Limited	6.06	-	-	2,729,341	2,729,341
Loan payable - Senior loan	4.00	-	-	(15,544,251)	(15,544,251)
Loan payable - Mezzanine loan	8.00	-	-	(3,785,171)	(3,785,171)
		<u>-</u>	<u>-</u>	<u>(1,688,255)</u>	<u>(1,688,255)</u>
	Effective interest rate %	Less than 1 year £	1-5 years £	More than 5 years £	Total £
As at 31 December 2020					
Floating rate					
Cash	0.10	9,334	-	-	9,334
		<u>9,334</u>	<u>-</u>	<u>-</u>	<u>9,334</u>
Fixed rate					
Loan receivable - Renewable Clean Energy 3 Limited	3.76	-	-	1,220,722	1,220,722
Loan receivable - Westcountry Solar Solutions Limited	4.46	-	-	1,246,288	1,246,288
Loan receivable - 2015 Sunbeam Limited	5.06	-	-	2,727,809	2,727,809
Loan receivable - Electric Avenue Ltd	6.06	-	-	9,399,073	9,399,073
Loan receivable - 2015 Sunbeam Limited	6.06	-	-	2,729,341	2,729,341
Loan payable - Senior loan	4.00	-	-	(15,544,251)	(15,544,251)
Loan payable - Mezzanine loan	8.00	-	-	(3,785,171)	(3,785,171)
		<u>-</u>	<u>-</u>	<u>(2,006,189)</u>	<u>(2,006,189)</u>

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Interest rate risk (continued)

At 31 December 2021, if interest rates on borrowings had been 10 basis points higher/lower with all other variables held constant, the calculated post-tax profit for the year would have been £1,688 (31 December 2020: £1,997) lower/higher.

Credit risk

The Company does not have a significant exposure to credit risk as 1) receivables are mainly intercompany items, 2) the Company's credit investments are managed by agents who have responsibility for the prompt collection of amounts due and 3) cash at bank are held with financial institutions with good credit ratings.

Operational risk

Operational risk arises as a result of inadequate or failed internal processes, people or systems; or from external events. Details of the Aviva Group approach to operational risk are set out in the financial statements of Aviva Investors UK Fund Services Limited, which manages and administers the Company's obligations as and when they fall due.

Liquidity Risk

The Company does not have a significant exposure to liquidity risk. Liquidity risk is managed by ensuring that there is always sufficient headroom available to meet the working capital requirements of the business. The Directors monitor the maturity of the Company's obligations as and when they fall due.

The maturity analysis of the Company's financial assets and liabilities as at 31 December 2021 are as follows:

As at 31 December 2021	On demand £	1-3 months £	4-12 months £	More than 12 months £	Total £
Financial assets					
Amounts owed by group undertakings	1,193,719	-	-	-	1,193,719
Loans receivable	-	-	-	17,641,167	17,641,167
Cash at bank and in hand	577	-	-	-	577
	<u>1,194,296</u>	<u>-</u>	<u>-</u>	<u>17,641,167</u>	<u>18,835,463</u>
Financial liabilities					
Loan interest owed to group undertakings	697,372	-	-	-	697,372
Amounts owed to group undertakings	2,802,014	-	-	-	2,802,014
Accruals	67,060	-	-	-	67,060
Other payables	19,317	-	-	-	19,317
Loan payable	-	-	-	19,329,422	19,329,422
	<u>3,585,763</u>	<u>-</u>	<u>-</u>	<u>19,329,422</u>	<u>22,915,185</u>

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Liquidity Risk (continued)

The maturity analysis of the Company's financial assets and liabilities as at 31 December 2020 are as follows:

As at 31 December 2020	On demand £	1-3 months £	4-12 months £	More than 12 months £	Total £
Financial assets					
Amounts owed by group undertakings	690,939	-	-	-	690,939
Loans receivable	-	-	-	17,323,233	17,323,233
Cash at bank and in hand	9,334	-	-	-	9,334
	<u>700,273</u>	<u>-</u>	<u>-</u>	<u>17,323,233</u>	<u>18,023,506</u>
Financial liabilities					
Loan interest owed to group undertakings	259,588	-	-	-	259,588
Amounts owed to group undertakings	2,495,362	-	-	-	2,495,362
Accruals	111,545	-	-	-	111,545
Other payables	19,317	-	-	-	19,317
Loan payable	-	-	-	19,329,422	19,329,422
	<u>2,885,812</u>	<u>-</u>	<u>-</u>	<u>19,329,422</u>	<u>22,215,234</u>

COVID-19

Management's assessment of the financial risks associated with COVID-19 and the Company's response to such risks is detailed above within principal risks and uncertainties.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

EMPLOYEES

The Company has no employees (31 December 2020: none). The key management personnel have been identified as the Directors of the Company. The directors received no remuneration (31 December 2020: £Nil).

ENVIRONMENTAL

Our approach to responsible investment in real assets

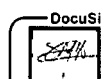
Our duty as long-term stewards of our clients' assets is the responsible allocation and management of capital. We do this to create stable income and capital growth for our clients, contributing to long-term value creation. To create and protect value, we must balance the needs of our clients with the needs of our stakeholders: customers, partners, communities and wider society. We do this by understanding material environmental, social and governance (ESG) factors and sustainability risks that can impact investment returns and assessing investments for their potential to adversely impact our stakeholders.

Governance and oversight of our responsible investment activity is led by our real assets stewardship forum, which is chaired by the chief investment officer and has membership from our senior leadership team as well as the chief responsible investment officer. The stewardship forum oversees the direction of our ESG and stewardship activities, as well as the delivery of our sustainability goals and external stakeholder matters. Our real assets investment oversight committee retains oversight of ESG integration in our investment activities and is supported by our origination forum, which guides ESG integration in our investment strategy.

We encourage a culture of team and individual accountability through integrating ESG in asset planning and review meetings. Our reporting on ESG metrics through these meetings allows us to hold our teams to account for delivering our responsible investment goals. The integration of ESG factors in investment decisions is part of the pay criteria of our main investment desk heads. In addition, through our global reward framework, all investment employees are expected to support our responsible investment activities and integrate ESG issues into their investment processes.

Find out more about our approach to responsible investment at <https://www.avivainvestors.com/en-gb/about/responsible-investment/>

On behalf of the board:

DocuSigned by:

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S K McLachlan

Director of Aviva Investors PiP Solar PV No.1 Limited

Date: 12 August 2022

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2021.

RESULTS AND DIVIDENDS

The total comprehensive expense for the Company for 2021 was £102,878 (31 December 2020: £1,770,457). The Directors do not recommend the payment of a dividend for the year ended 31 December 2021 (31 December 2020: £Nil).

DIRECTORS

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

C J McCall (resigned 15 October 2021)
S K McLachlan
D G Murphy
R J Day (appointed 10 November 2021)

FUTURE DEVELOPMENTS

The future developments of the Company are set out in the Strategic Report.

EVENTS AFTER THE REPORTING PERIOD

Events after the reporting financial year are set out in the Strategic Report.

GOING CONCERN

The Company has a net current liability position of £2,347,032 (31 December 2020: £2,131,525) and net liability of £1,833,221 (31 December 2020: £1,730,343). Included within the net current liability is an amount of £881,875 (31 December 2020: £825,539) due to 2015 Sunbeam Limited and £1,467,655 (31 December 2020: £1,409,761) to Electric Avenue Ltd. The Company also has a long term receivable balance of £5,650,482 (31 December 2020: £2,727,809) from 2015 Sunbeam Limited and £9,348,826 (31 December 2020: £9,399,073) from Electric Avenue Ltd.

The directors have received confirmation through a letter of support from 2015 Sunbeam Limited and Electric Avenue Ltd that they will not seek repayment of part or all of any intercompany debt, for at least twelve months from the date of the approval of these financial statements, where to do so would place this company in an insolvent position. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

FINANCIAL INSTRUMENTS

The business of the Company includes use of financial instruments. Details of the Company's risk management objectives and policies, and exposures to market risk, interest rate risk, credit risk, operational risk and liquidity risk relating to financial instruments are set out on pages 3 to 6 and in Note 17 of the financial statements.

INDEPENDENT AUDITORS

It is the intention of the Directors to reappoint the auditors, PricewaterhouseCoopers LLP, under the deemed appointment rules of Sections 487 of the Companies Act 2006.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

QUALIFYING INDEMNITY PROVISIONS

The Directors have the benefit of an indemnity provision contained in the Company's Articles of Association, subject to the conditions set out in the Companies Act 2006. This is a 'qualifying third party indemnity' provision as defined in section 234 of the Companies Act 2006.

Aviva plc granted in 2004 an indemnity to the Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985 (which continue to apply in relation to any provision made before 1 October 2007). This indemnity is a 'qualifying third party indemnity' for the purposes of sections 309A to 309C of the Companies Act 1985. These qualifying third party indemnity provisions remain in force as at the date of approving the Directors' Report by virtue of paragraph 15, Schedule 3 of The Companies Act 2006 (Commencement no. 3, Consequential Amendments, Transitional Provisions and Savings) Order 2007.

STATEMENT OF DISCLOSURE OF INFORMATION TO THE INDEPENDENT AUDITORS

Each person who was a Director of the Company on the date that this report was approved, confirms that:

- (a) so far as the Director is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the Company's auditors are unaware; and
- (b) each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for 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.

Directors' confirmations

In the case of each director in office at the date of the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

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

DocuSigned by:



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S K McLachlan

Director of Aviva Investors PiP Solar PV No.1 Limited

Date: 12 August 2022

AVIVA INVESTORS PIP SOLAR PV NO.1 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIVA INVESTORS PIP SOLAR PV NO.1 LIMITED FOR THE YEAR ENDED 31 DECEMBER 2021

Report on the audit of the financial statements

Opinion

In our opinion, Aviva Investors PiP Solar PV No.1 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report And Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2021; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

AVIVA INVESTORS PIP SOLAR PV NO.1 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIVA INVESTORS PIP SOLAR PV NO.1 LIMITED (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act, 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue. Audit procedures performed by the engagement team included:

AVIVA INVESTORS PIP SOLAR PV NO.1 LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIVA INVESTORS PIP SOLAR PV NO.1 LIMITED (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

- Discussions with management, including consideration of known or suspected instances of non compliance with laws and regulation and fraud;
- Reviewing relevant Board meeting minutes;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, entries posted containing unusual account descriptions, and entries posted with unusual amounts; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Thomas Norrie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
12 August 2022

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

		1 Jan 2021 to 31 Dec 2021	1 Jan 2020 to 31 Dec 2020 (restated)
	Note	£	£
Interest receivable and similar income	5	1,346,050	1,042,246
Dividend income		(164,959)	164,959
		<u>1,181,091</u>	<u>1,207,205</u>
Interest payable and similar expenses	6	(924,584)	(964,504)
Impairment of investments	10	(205,305)	(1,862,026)
Administrative expenses	7	(99,080)	(148,061)
Operating loss	8	<u>(47,878)</u>	<u>(1,767,386)</u>
Tax on loss	9	(55,000)	(3,071)
Loss for the financial year		<u>(102,878)</u>	<u>(1,770,457)</u>
Other comprehensive income for the year		-	-
Total comprehensive expense for the year		<u>(102,878)</u>	<u>(1,770,457)</u>

Continuing operations

All amounts reported in the statement of comprehensive income for the year ended 31 December 2021 and the year ended 31 December 2020 relate to continuing operations.

The notes on pages 17 to 31 form an integral part of these financial statements.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	31 Dec 2021 £	31 Dec 2020 £
Fixed assets			
Investments	10	2,202,066	2,407,371
Debtors: amounts falling due after more than one year	11	17,641,167	17,323,233
		<u>19,843,233</u>	<u>19,730,604</u>
Current assets			
Debtors: amounts falling due within one year	12	1,238,154	744,953
Cash at bank and in hand		577	9,334
		<u>1,238,731</u>	<u>754,287</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(3,585,763)	(2,885,812)
Net current liabilities		<u>(2,347,032)</u>	<u>(2,131,525)</u>
Total assets less current liabilities		<u>17,496,201</u>	<u>17,599,079</u>
Creditors: amounts falling due after more than one year	14	(19,329,422)	(19,329,422)
Net liabilities		<u>(1,833,221)</u>	<u>(1,730,343)</u>
Capital and reserves			
Called up share capital	15	6	6
Share premium account		134,681	134,681
Accumulated losses		(1,967,908)	(1,865,030)
Total equity		<u>(1,833,221)</u>	<u>(1,730,343)</u>

The financial statements on pages 14 to 31 were approved by the Board of Directors on 12 August 2022 and signed on its behalf by:

DocuSigned by:



C73DB7225756480...
S K McLachlan

Director of Aviva Investors PiP Solar PV No.1 Limited

The notes on pages 17 to 31 form an integral part of these financial statements.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Accumulated losses	Total Shareholders' funds/ (deficit)
	£	£	£	£
Balance at 1 January 2020	6	134,681	(94,573)	40,114
Loss for the financial year and total comprehensive expense for the year	-	-	(1,770,457)	(1,770,457)
Balance at 31 December 2020 and 1 January 2021	6	134,681	(1,865,030)	(1,730,343)
Loss for the financial year and total comprehensive expense for the year	-	-	(102,878)	(102,878)
Balance at 31 December 2021	6	134,681	(1,967,908)	(1,833,221)

The notes on pages 17 to 31 form an integral part of these financial statements.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Aviva Investors PiP Solar PV No.1 Limited (the "Company") acts as a holding company. This will continue to be the principal activity of the Company for the foreseeable future.

The Company is registered as a private company limited by shares and incorporated in England and Wales and its registered office is St Helen's, 1 Undershaft, London, United Kingdom, EC3P 3DQ.

2. Statement of compliance

The Company's financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and preceding year.

3.1 Basis of accounting

The financial statements have been prepared in accordance with the Companies Act 2006, under the historical costs convention and on a going concern basis.

These financial statements have been presented in British Pounds (£) as this is the Company's functional currency, being the primary economic environment in which it operates.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

3.2 Going concern basis

The Company has a net current liability position of £2,347,032 (31 December 2020: £2,131,525) and net liability of £1,833,221 (31 December 2020: £1,730,343). Included within the net current liability is an amount of £881,875 (31 December 2020: £825,539) due to 2015 Sunbeam Limited and £1,467,655 (31 December 2020: £1,409,761) to Electric Avenue Ltd. The Company also has a long term receivable balance of £5,650,482 (31 December 2020: £2,727,809) from 2015 Sunbeam Limited and £9,348,826 (31 December 2020: £9,399,073) from Electric Avenue Ltd.

The directors have received confirmation through a letter of support from 2015 Sunbeam Limited and Electric Avenue Ltd that they will not seek repayment of part or all of any intercompany debt, for at least twelve months from the date of the approval of these financial statements, where to do so would place this company in an insolvent position. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

3.3 Consolidation

The Company has taken advantage of exemptions under Section 400 of the Companies Act 2006 not to prepare group financial statements as it and its subsidiaries are included in the consolidated financial statements of Aviva Investors PiP Solar PV Limited Partnership.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.4 Dividend income

Dividends from investments in subsidiaries are recognised when they are approved by the subsidiary and form part of the operating income.

3.5 Administrative expenses

Administrative expenses include administration, finance, professional and management expenses which are recognised on an accruals basis.

3.6 Interest receivable and similar income

Interest receivable on loans and similar income is recognised in the Statement of Comprehensive Income using the effective interest rate method and forms part of the operating income. Interest receivable on cash at bank is recognised on an accruals basis.

3.7 Interest payable and similar expenses

Interest payable on loans and similar expenses are recognised on an effective interest rate basis and form part of the operating expenses.

3.8 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income. The current tax charge is calculated based on the tax laws enacted as at the Statement of Financial Position date where the Company generates its income.

Deferred income tax is recognised on temporary differences arising between bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

3.9 Investments in subsidiary undertakings

Investments in subsidiary undertakings are held at cost less impairment. Acquisition costs are capitalised as incurred and are included in the assets' carrying amount.

3.10 Cash at bank and in hand

Cash at bank and in hand comprise cash and cash on deposit with banks, both of which are immediately available.

3.11 Borrowings

Borrowings are recognised at the fair value of the consideration received net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised as a finance expense in the Statement of Comprehensive Income.

Borrowings are classified as current liabilities in the financial statements unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. The adjustments that are resulted from the use of United Kingdom Retail Price Index ("RPI") on the interest payment date have been adjusted as part of the loans in these audited financial statements.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.12 Share capital

Ordinary shares classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.13 Cash flow

The Company has taken advantage of exemption from preparing a statement of cash flows, on the basis that it is a qualifying entity under FRS 102 and the Company's cash flows are included in the consolidated statement of cash flows of Aviva Infrastructure Income Limited Partnership.

3.14 Financial instruments

The company has chosen to adopt Sections 11 and 12 of the FRS 102 in respect of financial instruments.

(i) Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

Basic financial assets, including debtors, and cash at bank and in hand, are recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised costs using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income, except investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets that are classified as receivable within one year are measured at the discounted amount of the cash or other consideration expected to be received, net of impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party which has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.14 Financial instruments (continued)

(ii) Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Basic financial liabilities, including creditors and loan payable, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Commitments which meet the conditions above are measured at cost (which may be nil) less impairment.

Non-current debt instruments which meet the following conditions, are subsequently measured at amortised cost using the effective interest method:

a) Returns to the holder are (i) a fixed amount, or (ii) a fixed rate of return over the life of the instrument, or (iii) a variable return that, throughout the life of the instrument, is equal to a single reference quoted or observable interest rate, or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.

b) There is no contractual provision that could by its terms result in the holder losing the principle amount or any interest attributable to the current period or prior periods.

c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder or issuer against changes in relevant taxation or law.

Debt instruments that are classified as payable within one year and which meet the above conditions are measured at the undiscounted amount of cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at amortised cost, using the effective interest rate method.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Accounting policies (continued)

3.15 Related party transactions

The Company discloses transactions with related parties which are not wholly owned by Aviva Investors PiP Solar PV Limited Partnership and its subsidiaries ("the Group"). Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Directors, separate disclosure is necessary to understand the effect of the transactions on the Company financial statements.

The Company has taken advantage of the exemption, under FRS 102, from disclosure of transactions with related parties who are wholly owned within the same Group.

3.16 Impairment of non-financial assets

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

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use.

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

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

3.17 Restatement of prior year presentation

In order to appropriately reflect the income and expense generated from the operations of the Company as a parent to 5 companies, in the current financial statements, the prior year balances on the statement of comprehensive income have been restated to reclassify the following:

- a) Interest receivable and similar income of £1,042,246 to operating income;
- b) Dividend income of £164,959 to operating income; and
- c) Interest payable and similar expenses of £964,504 to operating expense.

There is no impact on the statement of financial position and statement of changes in equity for the year ended 31 December 2020.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts or revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected.

4.1 Critical accounting estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a. Impairment of investment in subsidiaries and loan receivables

Non-financial assets and financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an assets net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

5. Interest receivable and similar income

	1 Jan 2021 to 31 Dec 2021 £	1 Jan 2020 to 31 Dec 2020 £
Loan interest receivable from subsidiary undertakings	<u>1,346,050</u>	<u>1,042,246</u>

6. Interest payable and similar expenses

	1 Jan 2021 to 31 Dec 2021 £	1 Jan 2020 to 31 Dec 2020 £
Loans interest payable to parent entity	<u>924,584</u>	<u>964,504</u>

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. Administrative expenses

	1 Jan 2021 to 31 Dec 2021 £	1 Jan 2020 to 31 Dec 2020 £
Professional fees	17,456	43,684
Management fees	58,134	82,043
Administration fees	14,000	14,000
Auditors' fees*	8,383	7,227
Valuation fees	1,107	1,107
	<u>99,080</u>	<u>148,061</u>

*During the year no non-audit fees were paid to statutory auditors (2020: £Nil).

The Company had no employees in the current year or prior year. The Directors receive no emoluments for services to the Company for the financial year (31 December 2020: £Nil).

8. Operating loss

	1 Jan 2021 to 31 Dec 2021 £	1 Jan 2020 to 31 Dec 2020 £
Fees payable to the company's auditors and their associates for the audit of the company's annual financial statements	<u>8,383</u>	<u>7,227</u>

The Company had no employees in the current year (31 December 2020: Nil). The Directors received no emoluments for services to the Company for the financial year (31 December 2020: £Nil).

9. Tax on loss

The Company's losses for this accounting year are taxed at an effective rate of 19.00% (31 December 2020: 19.00%).

	1 Jan 2021 to 31 Dec 2021 £	1 Jan 2020 to 31 Dec 2020 £
Corporation tax		
Current tax on loss for the year	53,431	(13,361)
Adjustments in respect of previous periods	1,569	16,432
Total current tax	<u>55,000</u>	<u>3,071</u>

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Tax on loss (continued)

(a) Tax reconciliation

The tax assessed for the year is higher than (31 December 2020: higher than) the standard rate of corporation tax in the UK of 19.00% (31 December 2020: 19.00%). The differences are explained below:

	1 Jan 2021 to 31 Dec 2021 £	1 Jan 2020 to 31 Dec 2020 £
Loss on ordinary activities before tax	(47,878)	(1,767,386)
Effects of:		
Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 19.00% (31 December 2020: 19.00%)	(9,097)	(335,803)
Expenses not deductible for tax purposes	70,350	353,784
Income not taxable for tax purposes	-	(31,342)
Group relief (claimed)/surrendered	(53,431)	13,361
Payment/(receipt) of group relief	53,431	(13,361)
Adjustments in respect of previous periods	1,569	16,432
Remeasurement of deferred tax for changes in tax rates	-	(823)
Movement in deferred tax not recognised	(7,822)	823
Total tax charge for the year	55,000	3,071

Deferred tax assets of £Nil (31 December 2020: £7,822) have not been recognised in these financial statements as there is insufficient evidence as to the availability of suitable profits in the foreseeable future.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Tax on loss (continued)

(b) Deferred tax

For the year ended 31 December 2021 the company has the following unrecognised deferred tax assets to carry forward indefinitely against future taxable income:

	1 Jan 2021 to 31 Dec 2021 £	1 Jan 2020 to 31 Dec 2020 £
Total tax losses utilised	(41,169)	-
Deferred tax rate of 19% (31 December 2020: 19%)	(7,822)	-
Remeasurement of deferred tax for changes in tax rates	-	823
Deferred tax (credit)/charge not recognised	<u>(7,822)</u>	<u>823</u>

The total outstanding amount of unrecognised deferred tax asset was as follows:

	1 Jan 2021 to 31 Dec 2021 £	1 Jan 2020 to 31 Dec 2020 £
Opening balance of unrecognised deferred tax assets	7,822	67,450
Deferred tax losses for the year	-	-
Adjustments to deferred tax in respect to prior periods	(7,822)	(60,451)
Remeasurement of deferred tax for changes in tax rates	-	823
Closing balance of unrecognised deferred tax assets	<u>-</u>	<u>7,822</u>

Deferred tax assets of £Nil (31 December 2020: £7,822) have not been recognised in these financial statements as there is insufficient evidence as to the availability of suitable profits in the foreseeable future.

(c) Factors affecting current tax charge for the year

The UK corporation tax rate from 1 April 2023 will increase to 25% from 19%, this become substantially enacted from 24 May 2021. There is no impact on the Company's net assets as a consequence of this amendment.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Investments

	31 Dec 2021 £	31 Dec 2020 £
Investments in subsidiary undertakings		
At start of the year	2,407,371	4,269,397
Impairment of subsidiary undertakings during the year	(205,305)	(1,862,026)
At end of year	2,202,066	2,407,371

The impairment charge included in statement of comprehensive income for the year ended 31 December 2021 was £205,305 (31 December 2020: £1,862,026).

The following is a breakdown of the investments as at 31 December 2021 and as at 31 December 2020:

	31 Dec 2021 £	31 Dec 2020 £
Spire Energy Ltd	1,300,426	1,073,697
Electric Avenue Ltd	443,707	571,921
Renewable Clean Energy 3 Limited	58,173	58,173
2015 Sunbeam Limited	61,429	365,249
Westcountry Solar Solutions Limited	338,331	338,331
Total investments	2,202,066	2,407,371

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Investments (continued)

The Company holds directly 100% of ordinary share capital of the following subsidiaries which are incorporated in the United Kingdom and whose principal activity is that of investment in solar panels.

Company	Shareholding	Country of Incorporation	Business Activity
Spire Energy Ltd ⁽¹⁾	100.00%	United Kingdom	Solar Panel
Electric Avenue Ltd ⁽¹⁾	100.00%	United Kingdom	Solar Panel
Renewable Clean Energy 3 Limited ⁽¹⁾	100.00%	United Kingdom	Solar Panel
2015 Sunbeam Limited ⁽¹⁾	100.00%	United Kingdom	Solar Panel
Westcountry Solar Solutions Limited ⁽¹⁾	100.00%	United Kingdom	Solar Panel

⁽¹⁾ Address of registered office: St Helen's, 1 Undershaft, London, England, EC3P 3DQ

Redan Power Ltd, Renewable Clean Energy 2 Limited and Avon Solar Energy Limited were dissolved on 4 February 2021, 5 February 2021 and 17 November 2021 respectively. The company held 100% of the above entities' share capital.

Management has evaluated the sensitivity of the carrying value of its investments in the underlying infrastructure projects. The Directors believe that the carrying values of the investments are supported by their underlying net assets, which indicates an estimate in fair value of the Solar assets. In the year ended 31 December 2021, the assets valuations had been impacted by changes to key assumptions and this has caused the underlying asset value of the investments to be less than the carrying value of the investments at the reporting date. An impairment of the Company's investments in its subsidiaries has been recorded such that the balance as at the reporting date is equal to the value of the underlying net assets.

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Debtors: amounts falling due after more than one year

The following is a breakdown of debtors falling due after more than one year for the year ended 31 December 2021 and the year ended 31 December 2020.

	31 Dec 2021 £	31 Dec 2020 £
Loan to 2015 Sunbeam Limited	2,921,142	2,727,809
Loan to Westcountry Solar Solutions Limited	1,334,618	1,246,288
Loan to Renewable Clean Energy 3 Limited	1,307,240	1,220,722
Loan to Electric Avenue Ltd	9,348,826	9,399,073
Loan 2 to 2015 Sunbeam Limited	2,729,341	2,729,341
Total debtors falling due after more than one year	17,641,167	17,323,233

Loan to 2015 Sunbeam Limited

In 2017, the Company entered into loan facilities for a total amount of £2,647,699 with 2015 Sunbeam Limited. Interest is charged on the loans at a rate of 5.06% per annum and is payable on a quarterly basis. An amount of £193,333 (31 December 2020: £23,627) representing the RPI adjustment on the loan was capitalised during the year. An amount of £Nil (31 December 2020: £100,646) was repaid during the year. The loan is unsecured and repayable in full on 31 December 2038.

Loan to Westcountry Solar Solutions Limited

In 2017, the Company entered into loan facilities for a total amount of £1,638,111 with Westcountry Solar Solutions Limited. Interest is charged on the loans at a rate of 4.46% per annum and is payable on a quarterly basis. An amount of £88,330 (31 December 2020: £12,085) representing the RPI adjustment on the loan was capitalised during the year. An amount of £Nil (31 December 2020: £342,238) was repaid during the year. The loan is unsecured and repayable in full on 31 December 2038.

Loan to Renewable Clean Energy 3 Limited

In 2017, the Company entered into loan facilities for a total amount of £1,296,215 with Renewable Clean Energy 3 Limited. Interest is charged on the loans at a rate of 3.76% per annum and is payable on a quarterly basis. An amount of £86,518 (31 December 2020: £10,815) representing the RPI adjustment on the loan was capitalised during the year. An amount of £Nil (31 December 2020: £75,308) was repaid during the year. The loan is unsecured and repayable in full on 31 December 2038.

AVIVA INVESTORS PIP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Debtors: amounts falling due after more than one year (continued)

Loan to Electric Avenue Ltd

On 23 October 2019, pursuant to Redan Power Ltd's Liquidation, the loan between Redan Power Ltd and Electric Avenue Ltd dated 21 December 2017 with original loan principal amount of £191,494 was assigned to Aviva Investors PIP Solar No.1 Limited. PIP agreed to accept from Redan Power Ltd, Redan Power Ltd's right, title and interest in the loan, subject to the Loan Assignment Agreement.

On 23 October 2019, pursuant to Renewable Clean Energy 2 Limited's Liquidation, the loan between Renewable Clean Energy 2 Limited and Electric Avenue Ltd dated 21 December 2017 with original loan principal amount of £5,954,230 was assigned to Aviva Investors PIP Solar No.1 Limited. PIP agreed to accept from Renewable Clean Energy 2 Limited, Renewable Clean Energy 2 Limited's right, title and interest in the loan, subject to the Loan Assignment Agreement.

On 23 October 2019, pursuant to Avon Solar Energy Limited's Liquidation, the loan between Avon Solar Energy Limited and Electric Avenue Ltd dated 21 December 2017 with original loan principal amount of £3,272,593 was assigned to Aviva Investors PIP Solar No.1 Limited. PIP agreed to accept from Avon Solar Energy Limited, Avon Solar Energy Limited's right, title and interest in the loan, subject to the Loan Assignment Agreement.

The Company entered into loan facilities for a total amount of £9,418,318 with Electric Avenue Ltd. Interest is charged on the loans at a rate of 6.06% per annum and is payable on a quarterly basis. An amount of £Nil (31 December 2020: £Nil) representing the RPI adjustment on the loan was capitalised during the year. An amount of £50,247 (31 December 2020: £19,245) was repaid during the year. The loan is unsecured and repayable in full on 31 August 2043.

Loan 2 to 2015 Sunbeam Limited

In 2019, the Company entered into loan facilities for a total amount of £2,729,341 with 2015 Sunbeam Limited. Interest is charged on the loans at a rate of 6.06% per annum and is payable on a quarterly basis. An amount of £Nil (31 December 2020: £Nil) representing the RPI adjustment on the loan was capitalised during the year. The loan is unsecured and repayable in full on 31 August 2043.

12. Debtors: amounts falling due within one year

	31 Dec 2021 £	31 Dec 2020 £
Amounts owed by group undertakings	1,193,719	690,939
VAT receivables	43,773	36,612
Other debtors	662	17,402
	<u>1,238,154</u>	<u>744,953</u>

The amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayments and are payable on demand.

AVIVA INVESTORS PIP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Creditors: amounts falling due within one year

	31 Dec 2021 £	31 Dec 2020 £
Loan interest owed to group undertakings	697,372	259,588
Amounts owed to group undertakings	2,802,014	2,495,362
Other creditors	19,317	19,317
Accruals and deferred income	67,060	111,545
	<u>3,585,763</u>	<u>2,885,812</u>

The amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayments and are payable on demand.

14. Creditors: amounts falling due after more than one year

	31 Dec 2021 £	31 Dec 2020 £
4.0% Senior loan (tranche A)	15,544,251	15,544,251
8.0% Mezzanine loan (tranche B)	3,785,171	3,785,171
	<u>19,329,422</u>	<u>19,329,422</u>

On 16 June 2015 the Company entered into a loan facility with Aviva Investors PIP Solar PV Limited Partnership. The loan facility is unsecured and due to be repaid in full on termination of the Partnership, and was utilised in two tranches: tranche A facility with a maximum amount of £375,000,000 and bearing interest of 4.0% per annum; tranche B facility with a maximum amount of £125,000,000 and bearing interest of 8.0% per annum.

As at 31 December 2021, £15,544,251 had been drawn down on tranche A (31 December 2020: £15,544,251) and £3,785,171 had been drawn down on tranche B (31 December 2020: £3,785,171). An amount of £Nil (31 December 2020: £1,818,816) was repaid during the year.

15. Called up share capital

	31 Dec 2021 £	31 Dec 2020 £
Called up share capital	<u>6</u>	<u>6</u>

Allotted, called up and fully paid share capital of the Company at 31 December 2021 was 6 ordinary shares of £1 each (31 December 2020: 6).

16. Contingent liabilities and capital commitments

There were no commitments or contingent liabilities at the reporting date (31 December 2020: £Nil).

AVIVA INVESTORS PiP SOLAR PV NO.1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

17. Financial instruments

	31 Dec 2021 £	31 Dec 2020 £
Financial assets measured at amortised cost:		
Debtors: amounts falling due after more than one year (see Note 11)	17,641,167	17,323,233
Debtors: amounts falling due within one year (see Note 12)	1,193,719	690,939
Cash at bank and in hand	577	9,334
	<u>18,835,463</u>	<u>18,023,506</u>
	31 Dec 2021 £	31 Dec 2020 £
Financial liabilities measured at amortised cost:		
Creditors: amounts falling due within one year (see Note 13)	(3,585,763)	(2,885,812)
Creditors: amounts falling due after more than one year (see Note 14)	(19,329,422)	(19,329,422)
	<u>(22,915,185)</u>	<u>(22,215,234)</u>

The Company's income and expense in respect of financial instruments are summarised below:

	31 Dec 2021 £	31 Dec 2020 £
Interest income and expense		
Total interest income for financial assets at amortised cost (see Note 5)	1,346,050	1,042,246
Total interest expense for financial liabilities at amortised cost (see Note 6)	(924,584)	(964,504)
	<u>421,466</u>	<u>77,742</u>

18. Parent and ultimate controlling undertaking

The Company's immediate parent undertaking is Aviva Investors PiP Solar PV Limited Partnership, incorporated in Great Britain and registered in England and Wales.

Aviva Investors Infrastructure Income Limited Partnership, is both the largest and the smallest group of undertakings to consolidate these financial statements at 31 December 2021. The consolidated financial statements of Aviva Investors Infrastructure Income Limited Partnership are available on application to:

Aviva Company Secretarial Services Limited
St Helen's
1 Undershaft
London
EC3P 3DQ

19. Events after the reporting period

Events after the reporting year have been evaluated up to the date the audited financial statements were approved and authorised for issue by the Directors of Aviva Investors PiP Solar PV No.1 Limited and there are no events to be disclosed or adjusted for in these audited financial statements.