

Registered number: 09653544

Elios Energy 2 Limited

Unaudited

Annual report and financial statements

For the period ended 30 June 2016



Elios Energy 2 Limited

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Elios Energy 2 Limited

Company information

Directors

A D K Brierley (appointed 13 October 2016)
D R Goodwin (appointed 13 October 2016)
P S Latham (appointed 13 October 2016)

Company secretary

S Ludlow

Registered number

09653544

Registered office

6th Floor
33 Holborn
London
EC1N 2HT

Accountants

PricewaterhouseCoopers LLP
Chartered Accountants
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3AZ

Elios Energy 2 Limited

Directors' report For the period ended 30 June 2016

The directors present their report and the unaudited financial statements of the company for the period ended 30 June 2016.

Incorporation

The company was incorporated on 23 June 2015.

Principal activity

The principal activities of the company was that of a holding company.

Going concern

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

Directors

The directors who served during the period and up to the date of signing the financial statements were:

A D K Brierley (appointed 13 October 2016)
D R Goodwin (appointed 13 October 2016)
P S Latham (appointed 13 October 2016)
G La Loggia (appointed 23 June 2015 and resigned 13 October 2016)
S W Reynolds (appointed 23 June 2015 and resigned 13 October 2016)

Statement of directors' responsibilities

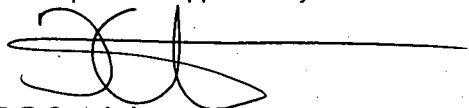
The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on 22 December 2016 and signed on its behalf.



D R Goodwin
Director

Elios Energy 2 Limited

Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Elios Energy 2 Limited for the period ended 30 June 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the company's financial statements for the period ended 30 June 2016, as set out on pages 4 to 15 from the company's accounting records and from information and explanations you have given us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/regulations.

This report is made solely to the company's board of directors, as a body, in accordance with the terms of our engagement letter dated 12 February 2016. Our work has been undertaken solely to prepare for your approval the company's financial statements and state those matters that we have agreed to state to the company's board of directors, as a body, in this report in accordance with Audit and Assurance Faculty Technical Release 2/10 (AAF 02/10) as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its board of directors as a body for our work or for this report.

It is your duty to ensure that the company has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of the company. You consider that the company is exempt from the statutory audit requirement for the period ended 30 June 2016.

We have not been instructed to carry out an audit or a review of the company's financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3AZ

22 December 2016

Elios Energy 2 Limited

Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Elios Energy 2 Limited for the period ended 30 June 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the company's financial statements for the period ended 30 June 2016, as set out on pages 4 to 15 from the company's accounting records and from information and explanations you have given us.

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PricewaterhouseCoopers LLP
Chartered Accountants
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3AZ

22 December 2016

Elios Energy 2 Limited

Statement of comprehensive income For the period ended 30 June 2016

	Note	2016 £000
Administrative expenses		(1,769)
Other operating income		109
Operating loss	5	(1,660)
Interest receivable and similar income	7	544
Interest payable and similar charges	8	(1,651)
Loss on ordinary activities before taxation		(2,767)
Tax on loss on ordinary activities	9	543
Loss for the financial period		(2,224)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2016 other than those included in the statement of comprehensive income.

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial period above and their historical cost equivalents.

The notes on pages 7 to 15 form part of these financial statements.

Elios Energy 2 Limited
Registered number: 09653544

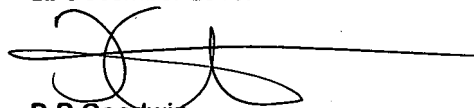
Balance sheet
As at 30 June 2016

	Note	£000	2016 £000
Fixed assets			
Tangible assets	10		131
Investments	11		21,424
			<u>21,555</u>
Current assets			
Debtors: amounts falling due within one year	12	13,838	
Cash at bank and in hand	13	8,525	
		<u>22,363</u>	
Creditors: amounts falling due within one year	14	(46,142)	
Net current liabilities			<u>(23,779)</u>
Total assets less current liabilities			<u>(2,224)</u>
Net liabilities			<u>(2,224)</u>
Capital and reserves			
Called up share capital	16		-
Profit and loss account			<u>(2,224)</u>
Total deficit			<u>(2,224)</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 December 2016.


D R Goodwin
 Director

The notes on pages 7 to 15 form part of these financial statements.

Elios Energy 2 Limited

**Statement of changes in equity
For the period ended 30 June 2016**

	Called up share capital £000	Profit and loss account £000	Total deficit £000
Comprehensive income for the period			
Loss for the financial period	-	(2,224)	(2,224)
Total comprehensive income for the period	-	(2,224)	(2,224)
At 30 June 2016	-	(2,224)	(2,224)

The notes on pages 7 to 15 form part of these financial statements.

Elios Energy 2 Limited

Notes to the financial statements For the period ended 30 June 2016

1. General information

The company's principal activity during the financial year was that of a holding company

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is 6th Floor, 33 Holborn, London, EC1N 2HT.

2. Statement of compliance

The financial statements of Elios Energy 2 Limited 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

3.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 4).

The following principal accounting policies have been applied:

3.2 Consolidation

These financial statements contain information about the Company as an individual Company and do not contain consolidated financial information as a parent undertaking of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent undertaking, Fern Trading Limited, a company incorporated in United Kingdom.

3.3 Going concern

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

3.4 Exemption for qualifying entity under FRS 102

The company, being a wholly owned subsidiary undertaking within a group whose consolidated financial statements are publically available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 102.

3.5 Going concern

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

**Notes to the financial statements
For the period ended 30 June 2016**

3. Accounting policies (continued)

3.6 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A of the provisions of FRS102, not to disclose transactions with other wholly owned members of the Fern Trading Group. This is based on the grounds that the company as at 30 June 2016 was a wholly owned subsidiary of the Group.

3.7 Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

3.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits with banks.

3.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 4% and 10% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

**Notes to the financial statements
For the period ended 30 June 2016**

3. Accounting policies (continued)

3.10 Financial instruments

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

(i) Financial assets

Basic financial assets, including other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing 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 cost. 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 assets' 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 statement of comprehensive income.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (iii) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including other payables and loans from fellow group undertakings, 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.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.11 Taxation

Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

3.12 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

Notes to the financial statements
For the period ended 30 June 2016

4. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies

There are no critical judgements in applying the entity's accounting policies.

(b) Critical accounting estimates and assumptions

The company entered into a foreign exchange forward contract during the year. This is measured through the profit and loss account. At 30 June 2016 the outstanding contract had a maturity within one year and commits the group to sell €46,000,000 at a fixed exchange rate.

5. Operating loss

The operating loss is stated after charging:

	2016 £000
Depreciation of tangible fixed assets	4
Accountants' remuneration - taxation compliance services	1
Difference on foreign exchange	2,096
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During the period, no director received any emoluments.

6. Staff costs

The company has no employees other than the directors, who did not receive any remuneration.

7. Interest receivable and similar income

	2016 £000
Interest receivable from group companies	536
Other interest receivable	8
	<hr/> <hr/>
	544

8. Interest payable and similar charges

	2016 £000
Interest payable to group undertakings	1,651
	<hr/> <hr/>
	1,651

Elios Energy 2 Limited

Notes to the financial statements For the period ended 30 June 2016

9. Tax on loss on ordinary activities

	2016 £000
Current tax on loss for the year	(543)
Total current tax	(543)

Factors affecting tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 20.00%. The differences are explained below:

	2016 £000
Loss on ordinary activities before taxation	(2,769)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00%	(554)
Effects of:	
Expenses not deductible for tax purposes	11
Total tax charge for the period	(543)

10. Tangible assets

	Plant and machinery £000
Cost	
Additions	135
At 30 June 2016	135
Accumulated depreciation	
Charge for period	4
At 30 June 2016	4
Net book value	
At 30 June 2016	131

Elios Energy 2 Limited

**Notes to the financial statements
For the period ended 30 June 2016**

11. Investments

	Investments in subsidiary companies £000
Cost	
Additions	21,424
At 30 June 2016	<u>21,424</u>
Net book value	
At 30 June 2016	<u><u>21,424</u></u>

**Notes to the financial statements
For the period ended 30 June 2016**

11. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Agrisol 2	France	Ordinary	100 %	Energy Generation
Batisolaire 5	France	Ordinary	100 %	Energy Generation
Batisolaire 7	France	Ordinary	100 %	Energy Generation
Elecsol Camargue	France	Ordinary	100 %	Energy Generation
Elecsol France 07	France	Ordinary	100 %	Energy Generation
Elecsol France 11	France	Ordinary	100 %	Energy Generation
Elecsol France 15	France	Ordinary	100 %	Energy Generation
Elecsol France 19	France	Ordinary	100 %	Energy Generation
Elecsol France 22	France	Ordinary	100 %	Energy Generation
Elecsol France 24	France	Ordinary	100 %	Energy Generation
Elecsol France 25	France	Ordinary	100 %	Energy Generation
Elecsol France 28	France	Ordinary	100 %	Energy Generation
Elecsol France 41	France	Ordinary	100 %	Energy Generation
Elecsol Haut Var	France	Ordinary	100 %	Energy Generation
Sammat	France	Ordinary	100 %	Energy Generation
Solarfi LP08	France	Ordinary	100 %	Energy Generation
Solarfi SP01	France	Ordinary	100 %	Energy Generation
Solarfi SP02	France	Ordinary	100 %	Energy Generation
Solarfi SP04	France	Ordinary	100 %	Energy Generation
Solarfi SP05	France	Ordinary	100 %	Energy Generation
Solarfi SP08	France	Ordinary	100 %	Energy Generation
Solarfi SP10	France	Ordinary	100 %	Energy Generation
Volta France	France	Ordinary	100 %	Energy Generation
Volta France 13	France	Ordinary	100 %	Energy Generation
Voltafrance 01	France	Ordinary	100 %	Energy Generation
Voltafrance 05	France	Ordinary	100 %	Energy Generation

Elios Energy 2 Limited

Notes to the financial statements For the period ended 30 June 2016

12. Debtors

	2016 £000
Amounts owed by group undertakings	12,450
Other debtors	162
Prepayments and accrued income	683
Tax recoverable	543
	13,838

Included within amounts owed by group undertakings are unsecured loans totalling £12,450,000. The loans bear interest at 6% and are repayable on demand.

13. Cash and cash equivalents

	2016 £000
Cash at bank and in hand	8,525
	8,525

14. Creditors: Amounts falling due within one year

	2016 £000
Amounts owed to group undertakings	41,630
Accruals and deferred income	83
Financial instruments	4,429
	46,142

Included within amounts owed to group undertakings are unsecured loans totalling £41,630,000. The loans bear interest at 6% and are repayable on demand.

Elios Energy 2 Limited

Notes to the financial statements For the period ended 30 June 2016

15. Financial instruments

	2016 £000
Financial assets	
Financial assets measured at fair value through profit or loss	4,429
Financial assets that are debt instruments measured at amortised cost	17,391
	21,820
Financial liabilities	
Financial liabilities measured at amortised cost	(46,142)
	(46,142)

16. Called up share capital

	2016 £000
Allotted and fully paid	
1 Ordinary share of £0.01	-

17. Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A of the provisions of FRS102, not to disclose transactions with other wholly owned members of the Fern Trading Group. This is based on the grounds that the company as at 30 June 2016 was a wholly owned subsidiary of the Group.

At the period end, an amount of £46,432 was outstanding to Octopus Investments Limited, a related party due to its significant influence over the entity.

18. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Elios Energy Holdings 2 Limited.

The ultimate parent undertaking and controlling party is Fern Trading Limited, a company incorporated in England and Wales.

Fern Trading Limited is the smallest and largest group of undertakings to consolidate these financial statements at 30 June 2016. The consolidated financial statements of Fern Trading Limited are available from 6th Floor, 33 Holborn, London, EC1N 2HT.