Company Registration No. 07740692

MIROVA NATURAL CAPITAL LIMITED
(formerly known as ECOSPHERE CAPITAL LIMITED)

Annual Report and Audited Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2017

CONTENTS

COMPANY INFORMATION

BOARD OF DIRECTORS

Christian del Valle
Sylvain Goupille (appointed 20 September 2017)
Raphael Lance (appointed 13 March 2018)
Anne-Laurence Roucher (appointed 13 March 2018)
Philippe Zaouati (appointed 13 March 2018)

Registered Number: 07740692

Registered Office

Sayers Butterworth LLP
3rd Floor
12 Gough Square
London
EC4A 3DW

Independent Auditors

PricewaterhouseCoopers LLP
7 More London
Riverside
London
SE1 2RT

STRATEGIC REPORT

The Directors present their strategic report on the affairs of Mirova Natural Capital Limited, formerly known as Ecosphere Capital Limited, (the "Company") and its subsidiaries (collectively, the "Group") together with the audited annual consolidated financial statements for the year ended 31 December 2017.

INCORPORATION

The Company was incorporated in England and Wales on 15 August 2011 as a private company limited by shares and has its registered address at 3rd Floor, 12 Gough Square, London, EC4A 3DW.

PRINCIPAL ACTIVITIES, REVIEW OF BUSINESS

The main activity of the Company is to act as parent company and investment advisor to the Althelia Group.

On 29 September 2017, the Company became the parent company in the structure through the acquisition of Althelia Climate Fund GP S.à.r.l. (ACF GP). Ecosphere Capital Partners LLP (ECP) and Althelia Sustainable Ocean Fund S.C.A. (ASOF) were existing subsidiaries of the Company, prior to this. The results of the subsidiary acquired during the year are included in total comprehensive income from the effective date of acquisition.

Mirova Natural Capital Limited ("MNCL"), formerly known as Ecosphere Capital Limited, is ultimately controlled by Mirova S.A. who owns 51% of the ordinary shares of the Company and exercises 51% of the voting rights over the Company's operations. Mirova S.A. is 100% owned by Ostrum Asset Management, formerly known as Natixis Asset Management.

The loss for the financial year of the Group attributable to equity holders from operations during the year ended 31 December 2017 amounted to £899,810 (2016: £23,638).

FUTURE DEVELOPMENTS

The Directors are continually exploring opportunities to further develop their investment advisory businesses through various projects.

Following the decision of the Directors, Ecosphere Capital Partners LLP (ECP), a wholly owned subsidiary of the Company, went into liquidation on 7 June 2018 as part of the rationalisation of the group structure. In anticipation of this re-structure, ECP businesses were gradually transferred over to the Company.

KEY PERFORMANCE INDICATORS

As at 31 December 2017 no dividend payments had been made to the Company's shareholders and no shares had been repurchased.

Other key performance indicators for the Group are:

	2017	2016
	£	£
Total assets value of the Group:	13,639,064	340,823
Operating (loss)/profit	(580,428)	295,104

Signed for and on behalf of the Board

Director gcdv - G C DEL VALLE

Date: 28/09/18

REPORT OF THE DIRECTORS

The Directors of Mirova Natural Capital Limited, formerly known as Ecosphere Capital Limited, present their report and audited annual consolidated financial statements for the year ended 31 December 2017.

SIGNIFICANT EVENTS DURING THE YEAR

On 29 September 2017, through a re-structuring, Mirova Natural Capital Limited, formerly known as Ecosphere Capital Limited, became the parent company of the Group through the acquisition of Althelia Climate Fund GP S.à.r.l (ACF GP).

SUMMARY OF THE GROUP'S ACTIVITIES FOR THE YEAR

At the balance sheet date, the Group had a net asset value of £11,264,502 (2016: £45,692 net liabilities). The loss for the financial year of the Group, attributable to equity holding from operations during the year ended 31 December 2017 amounted to £899,810 (2016: £23,638). The operating loss of the Group was £580,428 (2016: £295,104 operating profit).

The results for the year are set out in the consolidated statement of comprehensive income on page 12 of these financial statements. The Directors do not recommend a dividend for the year ended 2017.

The future developments are presented in the Strategic Report on page 3.

DIRECTORS AND THEIR INTERESTS

The Directors of the Company during the year and at the date of approval of these financial statements are noted on page 2.

Through their respective companies, Sylvain Goupille and Christian del Valle hold 49% of the ordinary shares of the Company.

GOING CONCERN

The Directors have made enquiries and having considered the current economic climate at the time of approving the financial statements, as well as the expected working capital requirements that the Group will have for the coming year, they have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

POLITICAL DONATIONS

The Group made no political donations during the year (2016: £nil).

EXISTENCE OF BRANCHES OUTSIDE OF THE UNITED KINGDOM

The Group has a branch in Paris, France.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties faced by the Company and its subsidiaries are managed by the Directors at each entity level. One of the most significant risks to the Group is the loss of the management contract for the environmental funds decreasing the value of the intangible asset.

Certain estimates in the consolidated financial statements are based wholly or in part on estimates or assumptions made by the Directors, taking into consideration current market and economic conditions. These have been described in further detail in note 4 of the consolidated financial statements.

The Company's financial risk management objectives and policies are set out in note 6(d).

REPORT OF THE DIRECTORS - (CONTINUED)

EVENTS AFTER THE REPORTING DATE

On 13 March 2018 the following persons were appointed as Directors of the Company:

- Raphael Lance
- Anne-Laurence Roucher
- Philippe Zaouati

Following the decision of the Directors, Ecosphere Capital Partners LLP went into liquidation in 7 June 2018.

In May 2018, Sustainable Ocean Fund GP S.à.r.l., a fully owned subsidiary, was set up be the Company in Luxembourg. Its main activity is to be a General Partner of Sustainable Ocean Fund S.C.A SICAV-SIF. ASOF is deconsolidated from the Group as of 29 June 2018.

On 21 September 2018, the Company changed its name from Ecosphere Capital Limited to Mirova Natural Capital Limited.

There have been no other significant events affecting the Group since the year end.

INDEPENDENT AUDITORS

Pursuant to Section 487 of the Companies Act 2006, PricewaterhouseCoopers LLP have been appointed as the auditors of the Company.

DISCLOSURE OF INFORMATION TO AUDITORS

The Directors who held office at the date of approval of this Report of the Directors confirm that:

- so far as each of the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and

- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditors are aware of that information.

Relevant audit information is defined as information needed by the Group's and Company's auditors in connection with preparing their report.

Signed for and on behalf of the Board

Director GC DELVALLE

Date: 28/09/18

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 group financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and company financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. 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 group and company and of the profit or loss of the group and 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 IFRSs as adopted by the European Union have been followed for the group financial statements and IFRSs as adopted by the European Union have been followed for the company financial statements, 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 group and company will continue in business.

The Directors are also responsible for safeguarding the assets of the group and 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 group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

Signed for and on behalf of the Board

Director GCDZLVMLZ

Date: 28/09/18

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIROVA NATURAL CAPITAL LIMITED (FORMERLY KNOWN AS ECOSPHERE CAPITAL LIMITED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, Mirova Natural Capital Limited's (formerly known as Ecosphere Capital Limited) Group financial statements and Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2017 and of the Group's loss and the Group's and the Company's cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Company's financial statements, as applied in accordance with the provisions of the Companies Act 2006; 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 Audited Consolidated Financial Statements (the "Annual Report"), which comprise: the consolidated and company statements of financial position as at 31 December 2017; the consolidated statement of comprehensive income, the consolidated and company statements of cash flows, and the consolidated and company statements 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 Group 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

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's and Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIROVA NATURAL CAPITAL LIMITED (FORMERLY KNOWN AS ECOSPHERE CAPITAL LIMITED) (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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.

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 Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.
Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 31 December 2017 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 Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of the Directors' Responsibilities in respect of the Financial Statements set out on page 6, 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 Group's and 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 Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIROVA NATURAL CAPITAL LIMITED (FORMERLY KNOWN AS ECOSPHERE CAPITAL LIMITED) (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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.

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 received 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 Company financial statements are not in agreement with the accounting records and returns.

Other matter

The financial statements for the year ended 31 December 2016, forming the corresponding figures of the financial statements for the year ended 31 December 2017, are unaudited.

R Hawkins.

Robert Hawkins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

28 September 2018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Note	2017	2016 (unaudited)
Assets		£	£
Goodwill	13	9,441,766	-
Other intangible assets	13	3,473,681	-
Tangible assets	14	12,081	20,660
Other financial assets	15	107,440	1
Non-current assets		13,034,968	20,661
Trade and other receivables	16	66,804	53,461
Prepayments		203,748	183,598
Cash and cash equivalents	17	333,544	83,103
Current assets		604,096	320,162
Total assets		**13,639,064**	**340,823**
Equity			
Share capital	18	12,240,891	100
Translation reserve		6,773	-
Accumulated losses		(983,162)	(83,352)
Equity atttibutable to owners of the Company		11,264,502	(83,252)
Non-controlling interests		-	37,560
Total equity		11,264,502	(45,692)
Liabilities			
Loans and borrowings	19	773,099	-
Deferred tax liabilities	12	421,806	-
Non-current liabilities		1,194,905	-
Trade and other payables	20	1,010,937	386,515
Deferred tax liabilities	12	168,720	-
Current liabilites		1,179,657	386,515
Total liabilities		2,374,562	386,515
Total liabilities and equity		**13,639,064**	**340,823**

Company Registration No. 07740692 (England and Wales)

The consolidated financial statements on pages 10 to 49 were approved and authorised by the Directors of the Group on 28th September 2018 and were signed on its behalf by:

Director gcdv

G COZLVALLE

The notes on pages 17 to 49 form an integral part of these consolidated financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Note	2017	2016 (unaudited)
Assets		£	£
Tangible assets	14	1	1,181
Other financial assets	15	12,154,238	96,065
Non-current assets		12,154,239	97,246
Trade and other receivables	16	124,121	29,492
Prepayments		13,774	-
Cash and cash equivalents	17	42,209	1,629
Current assets		180,104	31,121
Total assets		**12,334,343**	**128,367**
Equity			
Share capital	18	12,240,891	100
Accumulated losses		(569,769)	(83,352)
Total equity		11,671,122	(83,252)
Liabilities			
Loans and borrowings	19	102,101	109,199
Non-current liabilities		102,101	109,199
Trade and other payables	20	561,120	102,420
Current liabilites		561,120	102,420
Total liabilities		663,221	211,619
Total liabilities and equity		**12,334,343**	**128,367**

Company Registration No. 07740692 (England and Wales)

The notes on pages 17 to 49 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 (unaudited) £
Revenue	8	1,567,262	1,119,142
Gross profit		1,567,262	1,119,142
Administrative expenses	9	(2,148,619)	(823,804)
Profit/(loss) on disposal of fixed assets		929	(234)
Operating (loss)/profit		(580,428)	295,104
Finance income		-	42
Finance costs		(16,915)	(4,413)
Net finance costs	10	(16,915)	(4,371)
(Loss)/profit on ordinary activities before taxation		(597,343)	290,733
Tax credit	12	19,678	-
(Loss)/profit for the financial year		(577,665)	290,733
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met			
Currency translation differences		6,773	-
Other comprehensive income for the year		6,773	-
Total comprehensive (loss)/income for the year		(570,892)	290,733
(Loss)/profit attributable to:			
Owners of the Company		(899,810)	(23,638)
Non-controlling interests		322,145	314,371
		(577,665)	290,733
Total comprehensive (loss)/income attributable to:			
Owners of the Company		(893,037)	(23,638)
Non-controlling interests		322,145	314,371
		(570,892)	290,733

The notes on pages 17 to 49 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Share capital	Translation Reserve	Accumulated Losses	Non-controlling interests	Total equity
		£	£	£	£	£
Balance as at 1 January 2016		100	-	(59,714)	36,500	(23,114)
Total comprehensive income for the year						
(Loss)/profit for the year		-	-	(23,638)	314,371	290,733
Transactions with owners of the Company						
Drawings		-	-	-	(313,311)	(313,311)
Balance as at 31 December 2016		100	-	(83,352)	37,560	(45,692)
Balance as at 1 January 2017		100	-	(83,352)	37,560	(45,692)
Total comprehensive loss for the year						
(Loss)/profit for the year			-	(899,810)	322,145	(577,665)
Other comprehensive income for the year		-	6,773	-	-	6,773
Transactions with owners of the Company						
Issue of share capital	18	12,240,791	-	-	-	12,240,791
Drawings		-	-	-	(301,141)	(301,141)
Acquisition of subsidiary with NCI		-	-	-	(58,564)	(58,564)
Balance as at 31 December 2017		12,240,891	6,773	(983,162)	-	11,264,502

The notes on pages 17 to 49 form an integral part of these consolidated financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Share capital £	Retained earnings £	Total equity £
Balance as at 1 January 2016		100	(59,714)	(59,614)
(Loss) for the year		-	(23,638)	(23,638)
Balance as at 31 December 2016		100	(83,352)	(83,252)
Balance as at 1 January 2017		100	(83,352)	(83,252)
(Loss) for the year		-	(486,417)	(486,417)
Issue of share capital	18	12,240,791	-	12,240,791
Balance as at 31 December 2017		12,240,891	(569,769)	11,671,122

The notes on pages 17 to 49 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017	2016 (unaudited)
		£	£
Operating activites			
(Loss)/profit for the year		(577,665)	290,733
Adjustment for:			
Tax	12	(19,678)	-
Interest payable and similar charges		16,915	4,413
Adjusted (loss)/profit		(580,428)	295,146
Net (increase)/decrease in operating assets			
Amortisation of intangible assets	13	248,120	-
Depreciation of tangible assets	14	6,966	8,655
(Profit)/loss on disposal of fixed assets		(929)	234
Increase in trade and other receivables		(19,731)	(116,294)
Decrease/(Increase) in prepayments		69,406	(1,712)
Increase in trade and other payables		304,525	221,340
Cash flows from operating activities		**27,929**	**407,369**
Taxation paid		-	-
Net cash flows generated from operating activities		**27,929**	**407,369**
Investing activites			
Proceeds from sale of tangible assets		7,158	-
Purchases of tangible assets		(4,616)	(14,891)
Investment in subsidiary undertakings:		-	-
Value of cash acquired	7	410,047	-
Net cash flows generated from / (used in) investing activities		**412,589**	**(14,891)**
Financing activites			
Issue of ordinary share capital		114,618	-
Interest paid		(171)	(4,413)
Members drawings		(301,141)	(313,111)
Net cash flows used in financing activities		**(186,694)**	**(317,524)**
Net increase in cash and cash equivalents		253,824	74,954
Cash and cash equivalents at beginning of year		83,103	26,314
Exchange loss on cash and cash equivalents		(3,383)	(18,165)
Cash and cash equivalents at the end of year	17	**333,544**	**83,103**

The notes on pages 17 to 49 form an integral part of these consolidated financial statements.

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017	2016 (unaudited)
		£	£
Operating activites			
Loss for the year		(486,417)	(23,638)
Adjustment for:			
Interest receivable		-	(42)
Interest payable and similar charges		-	3,779
Adjusted loss		(486,417)	(19,901)
Net (increase)/decrease in operating assets			
Depreciation of tangible assets	14	1,180	2,053
Decrease/(Increase) in trade and other receivables		(26,628)	(25,954)
Increase in prepayments		(13,775)	-
Increase in trade and other payables		451,602	67,028
Cash flows from operating activities		**(74,038)**	**23,226**
Taxation paid		-	-
Net cash flows generated from operating activities		**(74,038)**	**23,226**
Investing activites			
Interest received		-	42
Purchases of investment		-	(27,965)
Net cash flows generated from / (used in) investing activities		**-**	**(27,923)**
Financing activites			
Issue of ordinary share capital		114,618	-
Interest paid		-	(3,779)
Loan repayment		-	9,000
Net cash flows from financing activities		**114,618**	**5,221**
Net increase in cash and cash equivalents		40,580	524
Cash and cash equivalents at beginning of year		1,629	1,105
Cash and cash equivalents at the end of year		**42,209**	**1,629**

The notes on pages 17 to 49 form an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1. GENERAL INFORMATION

Mirova Natural Capital Limited, formerly known as Ecosphere Capital Limited, (the "Company", or the "Group") is a private company, limited by shares and incorporated on 15 August 2011 in England and Wales under registration number 07740692. The Company is domiciled in the United Kingdom.

The Company's registered office is 3rd Floor, 12 Gough Square, London, EC4A 3DW.

The Company was a fully owned subsidiary of Althelia Climate Fund GP S.à.r.l. (ACF GP), a limited company owned by Sylvain Goupille's holding Piccolo 5 S.A and Christian del Valle's holding Dog Star S.à.r.l.

On 29 September 2017, the Company became the parent Company in the structure through the acquisition ACF GP. Ecosphere Capital Partners LLP (ECP) and Althelia Sustainable Ocean Fund S.C.A. (ASOF) were existing subsidiaries of the Company, prior to this. The results of the subsidiary acquired during the year are included in total comprehensive income from the effective date of acquisition.

On 29 September 2017, the Company allotted 222,057 Ordinary shares of £1 each for a cash consideration of €115,739 and 130,906 Class A Ordinary shares of Althelia Climate Fund S.C.A SICAV-SIF to Sylvain Goupille and Christian del Valle.

They sold all their shares in the Company to ACF GP which sold them onto Mirova S.A., Piccolo 5 S.A. and Dog Star S.à.r.l. in the ratio as per the table below.

All the existing Ordinary shares of £1 each were split into Ordinary shares of £0.01 each, resulting in 22,215,700 Ordinary shares of £0.01 each.

An additional 1,201,873,400 Ordinary shares of £0.01 were allotted pro-rata to the three shareholders in return for all the Ordinary shares of ACF GP valued at EUR 13,725,500.

As at the Balance Sheet date, the shareholders of the Company with their respective percentage of shareholdings are set out below:

Name of entities	Percentage of ownership	Country of incorporation
Mirova S.A.	51%	France
Piccolo 5 S.A.	29.40%	Luxembourg
Dog Star S.à.r.l.	19.60%	Luxembourg

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration of the business combination is measured at the aggregate of the fair values (at the date of exchange, i.e. on 29 September 2017) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree (see Note 7).

Any excess of the consideration of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill under intangible assets in the Consolidated Statements of Financial Position.

The Company, which initially owns 50% of the capital share but nil income share of ECP, became the only partner of ECP on 29 September 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1. GENERAL INFORMATION (CONTINUED)

As at the Balance Sheet date, the Company has the following subsidiaries:

Name of entities	Also known as	Percentage of the ownership	Country of incorporation
Ecosphere Capital Partners LLP	ECP	100%	United Kingdom
Althelia Climate Fund GP S.à.r.l.	ACF GP	100%	Luxembourg
Althelia Sustainable Ocean Fund S.C.A.	ASOF	100%	Luxembourg

These consolidated financial statements have been prepared for the year to 31 December 2017.

2. BASIS OF ACCOUNTING

a. Statement of compliance

The consolidated financial statements of the Group have been prepared on a going concern basis and in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") including interpretations issued by the IFRS Interpretations Committee, and as endorsed by the European Union ("EU"). The financial statements have been prepared in accordance with the Companies Act 2006 as applicable to companies using IFRS.

b. Basis of preparation

The Group financial statements consolidate the financial statements of the Company and all its subsidiary undertakings drawn up to 31 December each year.

The financial statements are presented in Sterling (£).

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss. The preparation of these consolidated financial statements in conformity with IFRS requires the use of accounting estimates and exercise of judgement by the management while applying the Group's accounting policies. These estimates are based on the management's best knowledge of the events which existed at the Consolidated Statement of Financial Position date; however, the actual results may differ from these estimates.

New standards and amendments issued but not yet effective for the financial period beginning 1 January 2017 which have not been early adopted by the Group

The Directors' assessment of the impact of these new standards is set out below:

IFRS 9 "Financial instruments"

IFRS 9 *Financial Instruments* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 *Financial Instruments: Recognition and Measurement.*

2. BASIS OF ACCOUNTING (CONTINUED)

b. Basis of preparation (continued)

IFRS 9 "Financial instruments" (continued)

i. Classification - Financial Assets

IFRS 9 contains a new classification and measurement approach for financial assets and reflects the business model in which assets are managed and their cash flow characteristics.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The standard eliminates the existing IAS 39 categories of held to maturity, loans and receivables and available for sale.

Based on its assessment, the Group does not believe that the new classification requirements will have a material impact on its accounting for trade receivables, loans, investment in debt securities and investments in equity securities that are managed on a fair value basis.

IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward-looking 'expected credit loss' (ECL) model. This will require considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments, and to contract assets.

Under IFRS 9, loss allowances will be measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and

- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

ii. Impairment - Financial Assets and contract assets (continued)

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not. An entity may determine that a financial asset's credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement always applies for trade receivables and contract assets without a significant financing component; the Group has chosen to apply this policy also for trade receivables and contract assets with a significant financing component.

The Directors are assessing the impact on impairment of the adoption of IFRS 9 on the Group.

2. BASIS OF ACCOUNTING (CONTINUED)

b. Basis of preparation (continued)

IFRS 9 "Financial instruments" (continued)

iii. Classification - Financial Liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification of financial liabilities.

However, under IAS 39 all fair value changes of liabilities designated as at FVTPL are recognised in profit or loss, whereas under IFRS 9 these fair value changes are generally presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and
- the remaining amount of change in the fair value is presented in profit or loss.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities.

The Directors are assessing the impact of the adoption of IFRS 9 on the Group.

iv. Transition

Changes in accounting policies resulting from the adoption of IFRS 9 will generally be applied retrospectively.

However, the Group will take advantage of the exemption allowing it not to restate comparative information for prior periods with respect to classification and measurement (including impairment) changes. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 will generally be recognised in retained earnings and reserves as at 1 January 2018.

IFRS 15 "Revenue from Contracts with Customers"

The standard deals with the recognition of revenue and replaces IAS 18 which covers contracts for goods and services, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

The standard permits either a full retrospective or a modified retrospective approach for the adoption.

Management has assessed the effects of applying the new standard on the Group's consolidated financial statements and has identified that there would be no impact of adopting IFRS 15 in the Group's financial statements due to the accounting treatment for the Group already mirroring those of IFRS 15.

2. BASIS OF ACCOUNTING (CONTINUED)

b. Basis of preparation (continued)

IFRS 16 "Leases"

The standard will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

Mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

The Directors are assessing the impact of the adoption of IFRS 16 on the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies set out below have been applied consistently in these consolidated financial statements unless otherwise indicated.

a. Basis of consolidation

i. Business combinations

The group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in the profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a. Basis of consolidation (continued)

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from it's involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The results of acquired operations are included in the consolidated statement of comprehensive income from 29 September 2017, the date on which control is obtained. The results of MNCL, ECP and ASOF are included in the consolidated statement of comprehensive income for the full year.

iii. Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the profit or loss. Any interests retained in the former subsidiary is measured at fair value when control is lost.

v. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b. Foreign Currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Foreign currency differences are generally recognised in the profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Foreign Currency (continued)

ii. Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into GBP at exchange rates at the reporting date. The income and expenses of foreign operations are translated into GBP at the exchange rates at the dates of transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or losses as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

c. Revenue

Rendering of services

Revenue from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Revenue is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

d. Employee benefits

i. Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

ii. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e. Grant

Grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis over the useful life of the asset.

f. Finance income and finance costs

The Group's finance income and finance costs include:
- interest income;
- interest expense; and
- the foreign currency gain or loss on financial assets and financial liabilites.

Interest income or expense is recognised using the effective interest method.

g. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Interest and penalties related to income taxes, including uncertain tax treatments, are accounted for under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not

- taxable temporary differences arising on the initial recognition of goodwill.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g. Income tax (continued)

ii. Deferred tax (continued)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that is has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted to substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

h. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. Property, plant and equipment (continued)

III. Depreciation (continued)

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

- Furniture and equipment: 5 years
- Plant and machinery: 5 years

Depreciation methods, useful lives and residuals values are reviewed at each reporting date and adjusted if appropriate.

i. Intangible assets and goodwill

i. Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Other intangible asset, which comprises of a contract for management fees receivables acquired by the Group and having a finite useful lives, is measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Amortisation

Amortisation is calculated to write off the cost of intangible asset less its estimated residual values using the straight-line method over its estimated useful life, and is generally recognised in profit or loss. Goodwill is not amortised.

The estimated useful life of the intangible asset is 3.75 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

j. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

k. Financial instruments

The Group classifies non-derivative financial assets into the following categories: financial assets at FVTPL, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

The Group classifies non-derivative financial liabilities into the following categories: financial liabilities at FVTPL and other financial liabilities.

i. Non-derivative financial assets and financial liabilities - Recognition and derecognition

The Group initially recognises loans and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date when the entity becomes a party to the contractual provisions of the instrument.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k. Financial instruments (continued)

i. Non-derivative financial assets and financial liabilities - Recognition and derecognition (continued)

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligation are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

ii. Non-derivative financial assets - Measurement

- Financial assets at FVTPL

  A financial asset is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at FVTPL are measured at fair value and changes therein, including an interest or dividend income, are recognised in profit or loss.

- *Held-to-maturity financial assets*

  These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised costs using the effective interest method.

- *Loans and receivables*

  These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised costs using the effective interest method.

- *Available-for-sale financial assets*

  These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, interest income and foreign currency differences on debt instruments, are recognised in OCI and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

iii. Non-derivative financial liabilities - Measurement

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k. Financial instruments (continued)

iii. Non-derivative financial liabilities - Measurement (continued)

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised costs using the effective interest method.

l. Share Capital

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

m. Impairment

i. Non-derivative financial assets

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- observable data indicating that there is a measureable decrease in the expected cash flows from a group of financial assets.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Group considers a decline of 20% to be significant and a period of nine months to be prolonged.

Available-for-sale financial assets	Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss. Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale are not reversed though profit or loss.
Equity-accounted investees	An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m. Impairment (continued)

i. Non-derivative financial assets (continued)

Financial assets measured at amortised cost	The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics. In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends. An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed though profit or loss.

ii. Non-financial assets

At each annual reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

n. Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

n. Leases (continued)

At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

ii. Leased assets

Leases of property, plant and equipment that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

iii. Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

o. Operating profit

Operating profit is the result generated from the continuing principal revenue producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit of equity accounted investees and income taxes.

p. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p. Fair value measurement (continued)

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

q. Going concern

After reviewing the Group's forecasts and projections, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

r. Capital management

The Group's policy is to maintain a strong capital base so as to safeguard their ability to continue as a going concern, to sustain future development of the business and to maintain an optimal capital structure. Management monitors the capital structure by reviewing and adjusting the issue of new shares, debt levels and deciding on dividend distribution, if any.

The Group monitors capital using a ratio of 'net debt' to 'equity'. Net debt is calculated as total liabilities (as shown in the consolidated statement of financial position) less cash and cash equivalents. Equity comprises share capital, translation reserve and accumulated losses.

The Group's net debt to equity ratio at 31 December 2017 was as follows.

	2017	2016 (unaudited)
	£	£
Total liabilities	2,374,562	386,515
less: Cash and cash equivalents	(333,544)	(83,103)
Net debt	2,041,018	303,412
Total equity	11,264,502	(45,692)
Net debt to equity ratio	0.18	(6.64)

s. Investments

Investments in subsidiaries by the Company are shown at cost in accordance with IAS 27 Separate Financial Statements.

4. USE OF ESTIMATES

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Acutal results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year is included in the following notes:

The areas involving significant estimates and judgements are:

- Note 7 - business combination: fair value of assets acquired and liabilities assumed.
- Note 13 - impairment test of intangible asset and goodwill: key assumptions underlying recoverable amounts, including the recoverability of the contract for management fees receivable.

5. OPERATING SEGMENTS

The Directors examine the Group's performance from a product perspective and have identified two reportable segments of the business:

	2017	2016 (unaudited)
Group	£	£
i) Consultancy fees for environmental advisory services		
Turnover	1,237,796	1,119,142
(Loss)/Profit before tax	328,862	290,733
Total assets	415,884	340,823
Total liabilities	344,905	386,515
ii) Management fees for the strategic management of its fund investment portfolio		
Turnover	329,465	-
Profit before tax	88,756	-
Total assets	307,734	-
Total liabilities	1,336,752	-

Company
The Company has only one reportable segment and hence the turnover relates only to consultancy fees for environmental advisory services.

6. FINANCIAL INSTRUMENTS

a. Accounting classifications and fair values

31 December 2016	Designated at fair value	Loans and receivables	Other financial liabilities
	£	£	£
Financial assets measured at fair value			
Equity securities (Fair Value Level 3)	1	-	-
Financial assets not measured at fair value			
Trade and other receivables	-	53,461	-
Cash and cash equivalents	-	83,103	-
Financial liabilities not measured at fair value			
Trade and other payables	-	-	(386,515)
	1	136,564	(386,515)

31 December 2017	Designated at fair value	Loans and receivables	Other financial liabilities
	£	£	£
Financial assets measured at fair value			
Equity securities (Fair Value Level 3)	107,440	-	-
Financial assets not measured at fair value			
Trade and other receivables	-	66,804	-
Cash and cash equivalents	-	333,544	-
Financial liabilities not measured at fair value			
Loans (Fair Value Level 2)	-	-	(773,099)
Trade and other payables	-	-	(1,010,937)
	107,440	400,348	(1,784,036)

b. Fair value measurement

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level is as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (such as over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on equity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Fair value measurement (continued)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities.

c. Valuation techniques and significant unobservable inputs

Financial instruments measured at fair value

Equity securities - The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee, adjusted for the effect of the no-markeability of the equity securities.

Financial instruments not measured at fair value

Loans - They are valued based on the discounted cash flow model.

d. Financial risk management

The Group has exposure to market risk, credit risk and foreign currency risks arising from financial instruments.

The Group's risk management is carried out by the Directors of the Company and each of the Company's subsidiaries. The risk management policies employed by the Group to manage these risks are discussed below.

i. Market Risk

Market risk is defined as the risk to which the Group is exposed in terms of a potential adverse impact on its income statement due to fluctuations in currency exchange rates, interest rates and the market prices.

The Group has decided to abide by a policy of low risk tolerance. Consequently, the Group does not have positions on or off balance sheet that might be affected by fair value risk relating to interest rate and price risks.

1. Foreign exchange risk

As the Group has overseas operation and is exposed to foreign exchange risk arising from foreign currency transactions, foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the Group.

6. FINANCIAL INSTRUMENTS (CONTINUED)

d. Financial risk management (continued)

i. Market Risk (continued)

1. Foreign exchange risk (continued)

Exposure

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in the original currency, was as follows:

31 December 2017	**GBP**	**EUR**	**USD**
Tangible assets	12,081	-	-
Other Financial Assets	107,440	-	-
Cash and cash equivalents	66,135	209,930	109,705
Trade and other receivables	229,151	54,124	-
Prepayments	17,447	-	-
Loans and borrowings	-	(649,463)	(300,000)
Trade and other payables	(431,133)	(482,935)	(207,166)
	1,121	(868,344)	(397,461)

The only foreign currency exposure at 31 December 2016 was loans and borrowing of EUR 284,610.

Sensitivity

As shown in the table previous, the Group is exposed to foreign currency risk through a number of different asset and liability types held in currencies other than GBP. The risk is between GBP and other foreign currencies.

Should the net asset value subject to currency risk be subject to a 10% increase/decrease, the impact on the Statement of Financial Position and Statement of Comprehensive Income would be an increase/decrease in the value of £103,939 (2016: £24,368).

2. Interest rate risk

The Group is exposed to interest rate risk on loan payables and borrowings.

As the Group's exposure to interest rates is fixed, the Group does not manage its cash flow interest rate risk as it does not deem its other exposures to interest rate risk to be significant.

ii. Credit Risk

Credit risk is the possibility of loss stemming from the failure of customers or counterparties to meet their payment obligations to the Group.

Credit quality

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to credit ratings (if available) or based on the internal assessment of the Group.

6. FINANCIAL INSTRUMENTS (CONTINUED)

d. Financial risk management (continued)

ii. Credit Risk (continued)

Cash and cash equivalents

	2017	**2016 (unaudited)**
	£	**£**
Credit Rating		
A Stable	333,544	83,103

Trade debtors and other receivables

These comprise mainly of VAT recoverable from HMRC and rent deposit. Given the nature of the business conducted by the Group and the amount of trade debtors and other receivables, the Directors consider that there is no impairment of these receivables.

No impairment losses were recognised during the year (2016: £nil).

iii. Liquidity risk

Liquidity risk is the current or prospective risk arising from the Group's inability to meet its liabilities and obligations as they come due without incurring unacceptable losses.

The Directors monitor cash availability and current liabilities to mitigate and manage liquidity risk.

The table summarises the maturity profile of the Groups's financial assets and liabilities based on contractual undiscounted payments:

2016 carrying amounts	**3 months or less**	**From 3 to 12 months**	**From 1 to 2 years**	**From 2 to 5 years**
	£	**£**	**£**	**£**
Other financial assets	1	-	-	-
Trade and other receivables	53,461	-	-	-
Cash and cash equivalents	83,103	-	-	-
Trade and other payables	(386,515)	-	-	-
	(249,950)	-	-	-

2017 carrying amounts	**3 months or less**	**From 3 to 12 months**	**From 1 to 2 years**	**From 2 to 5 years**
	£	**£**	**£**	**£**
Other financial assets	107,440	-	-	-
Trade and other receivables	66,804	-	-	-
Cash and cash equivalents	333,544	-	-	-
Loans and borrowings	-	-	-	(773,099)
Trade and other payables	(1,010,937)	-	-	-
	(503,149)	-	-	(773,099)

7. BUSINESS COMBINATIONS

The following table summarises the consideration paid by the Group, the fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

Consideration as at 29 September 2017	**£**
Equity consideration	12,018,734

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book values	**Adjustments**	**Fair value**
	£	**£**	**£**
Loans	328,144	-	328,144
Grants	(32,972)	32,972	-
Intangible asset	-	3,721,801	3,721,801
Deferred tax liability on fair value uplift	-	(632,706)	(632,706)
Cash and cash equivalents	410,047	-	410,047
Trade and other receivables	134,385	-	134,385
Trade and other payables	(612,709)	-	(612,709)
Borrowings	(771,994)	-	(771,994)
Total identifiable net assets	(545,099)	3,122,067	2,576,968
Goodwill			9,441,766
Total			12,018,734

During the period from acquisition to the reporting date, the acquired company contributed £329,465 to turnover and £16,277 to the loss for the financial year.

The Group incurred acquisition-related costs of £11,496 on legal fees and due diligence costs. These costs have been included in 'administrative expenses'.

The fair value of the loans, trade and other receivables and payables are based on book value at acquisition date. The fair value of the grant was nil on the basis that it is not repayable at acquisition date.

Intangible asset relates to the capitalisation of contracted management fees receivable and has been valued on the present value of discounted cash flow from the management contract at a rate the Directors considered commercially sensible based on their collective experience.

Deferred taxation has been recognised on the intangible asset, resulting in a provision of £632,706 upon acquisition.

8. REVENUE

	2017	**2016 (unaudited)**
Group	**£**	**£**
Rendering of services	1,567,262	1,119,142
Company	**£**	**£**
Rendering of services	382,975	-

9. ADMINISTRATIVE EXPENSES

	2017	2016 (unaudited)
Expenses by nature		
Group	**£**	**£**
Accountancy fees	(113,902)	(52,926)
Consultancy fees	(422,831)	(196,474)
Legal fees	(181,258)	(84,224)
Audit fees	(44,550)	(20,701)
Operating lease payments	(128,816)	(110,149)
Business rates	(31,733)	(30,984)
Other professional fees	(68,638)	(31,893)
Staff costs	(432,770)	(81,603)
Bank charges	(3,601)	(1,673)
Office expenses	(192,487)	(89,441)
Travel expenses	(263,727)	(122,544)
Other expenses	(9,220)	(4,284)
Depreciation of tangible assets	(6,966)	(8,655)
Amortisation intangible assets	(248,120)	-
Total	(2,148,619)	(835,551)
Company	**£**	**£**
Accountancy fees	(36,120)	(3,335)
Consultancy fees	(101,880)	-
Legal fees	(28,433)	-
Audit fees	(44,550)	-
Operating lease payments	(26,794)	-
Business rates	(4,104)	-
Other professional fees	(53,210)	-
Staff costs	(363,184)	-
Bank charges	(1,129)	(749)
Office expenses	(69,507)	(103)
Travel expenses	(58,146)	(1,099)
Other expenses	(70,197)	(886)
Depreciation of tangible assets	(1,180)	(2,053)
Total	(858,434)	(8,225)

10. NET FINANCE COSTS

	2017	2016 (unaudited)
Group	£	£
Interest income	-	42
Finance income	-	42
Financial liabilities measured at amortised cost - interest expense	(3,628)	(4,413)
Bank interest payable	(170)	-
Net foreign exchange loss	(13,117)	-
Finance costs	(16,915)	(4,413)
Net finance costs recognised in profit or loss	(16,915)	(4,371)

	2017	2016 (unaudited)
Company	£	£
Interest income on bank	-	42
Finance income	-	42
Financial liabilities measured at amortised cost - interest expense	(5,105)	(3,779)
Net foreign exchange loss	(5,854)	(11,676)
Finance costs	(10,959)	(15,455)
Net finance costs recognised in profit or loss	(10,959)	(15,413)

11. EMPLOYEE BENEFITS

Group

The average monthly number of employees during the year was:

	2017 First 9 months	2017 Last 3 months	2016 (unaudited)
Directors	1	2	1
Staff	2	8	3
	3	10	4

	2017	2016 (unaudited)
Employee benefit expenses	£	£
Wages and salaries	362,657	74,002
Social security costs	53,388	4,973
Contributions to defined benefit pension funds	5,855	-
Other staff costs	10,870	2,628
Total	432,770	81,603

Company

The average monthly number of employees during the year was:

	2017	2016 (unaudited)
Directors	2	-
Staff	8	-
	10	-

11. EMPLOYEE BENEFITS (CONTINUED)

Company (continued)

	2017	2016 (unaudited)
Employee benefit expenses	£	£
Wages and salaries	297,156	-
Social security costs	49,316	-
Contributions to defined benefit pension funds	5,855	-
Other staff costs	10,857	-
Total	363,184	-

12. TAX CREDIT

Group

a. Analysis of tax credit for the year

	2017	2016 (unaudited)
	£	£
Current tax:		
- UK Corporation tax on profits for the year	-	-
- Foreign corporation tax on profits for the year	(22,153)	-
- Adjustment in respect of prior periods	(349)	-
Total current tax	(22,502)	-
Deferred tax:		
- Origination and reversal of timing differences	42,180	-
Total deferred tax	42,180	-
Tax credit for the year	19,678	-

b. Reconciliation of the tax credit

	2017	2016 (unaudited)
	£	£
(Loss)/profit on ordinary activities before taxation	(597,343)	290,733
(Loss)/profit on ordinary activities before taxation multiplied by effective rate in the UK of 19.25% (2016:20%)	(114,988)	58,147
Effects of:		
Partnership income not subject to corporate tax	(62,013)	(62,874)
Losses carried forward	150,299	35
Deferred tax	42,180	-
Expenses not deductible for tax purposes	4,549	4,693
Adjustment in respect of prior periods	(349)	-
Total tax credit	19,678	-

12. TAX CREDIT (CONTINUED)

c. Deferred tax liabilities

Deferred tax liabilities during the year relate to the intangible assets acquired in the acquisition of ACF GP.

	2017	2016 (unaudited)
	£	£
Opening balance	-	-
Recognised on intangible asset - management contract	632,706	-
less: Amortisation	(42,180)	-
Closing balance	590,526	-
Settled:	£	£
No more than twelve months after the reporting period	168,720	-
More than twelve months after the reporting period	421,806	-
	590,526	-

13. GOODWILL AND OTHER INTANGIBLE ASSET

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration of the business combination is measured at the aggregate of the fair values (at the date of exchange, i.e. on 29 September 2017) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Directly attributable transaction costs are expensed to profit or loss.

As a result certain Intangible Asset and resulting Goodwill were recognised on acquisition date.

Goodwill is currently valued on the fair value less cost to sell basis.

Presented in the table below is an analysis of Goodwill and Other Intangible Asset as at 31 December 2017. There were no goodwill nor other intangible assets in 2016.

	Goodwill	Other intangible asset	Total
Cost	£	£	£
Acquisition through business combination	9,441,766	3,721,801	13,163,567
At 31 December 2017	9,441,766	3,721,801	13,163,567
Accumulated amortisation			
Charge for the year	-	248,120	248,120
At 31 December 2017	-	248,120	248,120
Carrying amounts			
At 31 December 2017	9,441,766	3,473,681	12,915,447

Impairment tests for goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis. As at 31 December 2017 it was assessed that since the date of acquisition from which all intangible assets arose was in September 2017 and there being no indicators of impairment to goodwill since that date, no impairment was necessary. The next impairment test will take place by 31 December 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

14. TANGIBLE ASSETS

Group	Furniture and Equipment	Plant and Machinery	Total
Cost	£	£	£
At 1 January 2016	18,507	10,440	28,947
Additions	14,891	-	14,891
Disposals	(390)	-	(390)
At 31 December 2016	33,008	10,440	43,448
Accumulated depreciation			
At 1 January 2016	7,083	7,206	14,289
Charge for the year	6,602	2,053	8,655
Disposals	(156)	-	(156)
At 31 December 2016	13,529	9,259	22,788
Net book value			
At 31 December 2016	19,479	1,181	20,660
At 31 December 2015	11,424	3,234	14,658

	Furniture and Equipment	Plant and Machinery	Total
Cost	£	£	£
At 1 January 2017	33,008	10,440	43,448
Additions	4,616	-	4,616
Disposals	(7,821)	-	(7,821)
At 31 December 2017	29,803	10,440	40,243
Accumulated depreciation			
At 1 January 2017	13,529	9,259	22,788
Charge for the year	5,786	1,180	6,966
Disposals	(1,592)	-	(1,592)
At 31 December 2017	17,723	10,439	28,162
Net book value			
At 31 December 2017	12,080	1	12,081
At 31 December 2016	19,479	1,181	20,660

There were no impairment losses during the year for tangible assets.

14. TANGIBLE ASSETS (CONTINUED)

Company	**Plant and Machinery**	**Total**
Cost	**£**	**£**
At 1 January 2016	10,440	10,440
Additions	-	-
Disposals	-	-
At 31 December 2016	10,440	10,440
Accumulated depreciation		
At 1 January 2016	7,206	7,206
Charge for the year	2,053	2,053
Disposals	-	-
At 31 December 2016	9,259	9,259
Net book value		
At 31 December 2016	1,181	1,181
At 31 December 2015	3,234	3,234

	Plant and Machinery	**Total**
Cost	**£**	**£**
At 1 January 2017	10,440	10,440
Additions	-	-
Disposals	-	-
At 31 December 2017	10,440	10,440
Accumulated depreciation		
At 1 January 2017	9,259	9,259
Charge for the year	1,180	1,180
Disposals	-	-
At 31 December 2017	10,439	10,439
Net book value		
At 31 December 2017	1	1
At 31 December 2016	1,181	1,181

There were no impairment losses during the year for tangible assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

15. OTHER FINANCIAL ASSETS

	2017	2016 (unaudited)
Group	£	£
Non-current investments		
Equity securities designated as at FVTPL	107,440	1
	107,440	1

These are investments in Class A Ordinary shares of Althelia Climate Fund S.C.A SICAV-SIF.

Company	£	£
Non-current investments		
Equity securities designated as at FVTPL	107,440	-
Investments in subsidiaries	12,046,798	96,065
	12,154,238	96,065

These are investments in Class A Ordinary shares of Althelia Climate Fund S.C.A SICAV-SIF and in subsidiaries, details of which are in note 22.

The equity securities have been designated as at FVTPL because they are managed on a fair value basis and their performance is actively managed. Investments in subsidiaries are recognised at costs in accordance with IAS 27 Separate Financial Statements.

16. TRADE AND OTHER RECEIVABLES

	2017	2016 (unaudited)
Group	£	£
Rent deposit	29,509	29,509
Other debtors	37,295	23,952
	66,804	53,461

Company	£	£
Amounts due to group undertakings	-	28,851
Other debtors	124,121	641
	124,121	29,492

Based on the amount and nature of the Trade and Other Receivables, the Group's exposure to credit and market risk are minimum. The Directors assessed that there are no impairment for their recoverability.

17. CASH AND CASH EQUIVALENTS

	2017	2016 (unaudited)
Group	£	£
Cash at bank and in hand	333,544	83,103
	333,544	83,103

Company	£	£
Cash at bank and in hand	42,209	1,629
	42,209	1,629

Restricted cash

The cash and cash equivalents disclosed above and in the statement of cash flows are all available on demand; there are no restricted cash amounts.

18. SHARE CAPITAL

	2017	2016 (unaudited)
Group and Company	£	£
Authorised, allotted and fully paid:		
100 @ GBP 1 per Ordinary share	-	100
599,803,659 S Ordinary shares of £0.01 each	5,998,037	-
624,285,441 B Ordinary shares of £0.01 each	6,242,854	-
	12,240,891	100

On 29 September 2017, the 100 ordinary shares of £1 each were subdivided into 10,000 ordinary shares of £0.01 each and re-designated as 4,900 S ordinary shares of £0.01 each and 5,100 B ordinary shares of £0.01 each.

On 29 September 2017, 599,798,759 S ordinary shares of £0.01 each and 624,280,341 B ordinary shares of £0.01 each were allotted, issued and fully paid.

19. LOANS AND BORROWINGS

	2017	2016 (unaudited)
Group	£	£
Non-current liabilities		
Loan	221,929	-
Shareholders' loan	551,170	-
	773,099	-

a. Loan

The loan from Conservation International Fund for USD300,000 bearing 3% interest per annum was part of the net assets taken over upon the acquisition of ACF GP on 29 September 2017. The reimbursement of the loan is conditional upon the successful launch of Althelia Sustainable Ocean Fund S.C.A. At 31 December 2017, the accrued interest was £11,213 (29 September 2017: £9,697).

b. Shareholders' loan

The shareholders' loan was part of the net assets taken over upon the acquisition of ACF GP on 29 September 2017. The loan is unsecured, repayable on 7 April 2020 and ceases to bear interest from 29 September 2017. No amount was paid or repaid during the period. At 31 December 2017, the accrued interest was £21,588 (29 September 2017: £21,456). Refer to note 22(b)(i).

	2017	2016 (unaudited)
Company	£	£
Non-current liabilities		
Amounts owed to group undertakings	102,101	109,199
	102,101	109,199

The amounts owed to group undertakings comprise unsecured loans and accrued interest thereon at 5% per annum. Of the loans, €80,000 is repayable on 1 August 2021 and €33,082 is repayable on 15 September 2024.

20. TRADE AND OTHER PAYABLES

	2017	2016 (unaudited)
Group	£	£
Trade payables	278,032	106,301
Other creditors	85,164	32,561
Taxation and social security	320,891	122,687
Accruals and deferred income	326,850	124,966
	1,010,937	386,515
Company	£	£
Trade payables	90,229	-
Amounts owed to group undertalkings	154,025	97,235
Other creditors	719	2,685
Taxation and social security	41,881	-
Accruals and deferred income	274,266	2,500
	561,120	102,420

21. LEASES

Group

As at 31 December 2017 the Group and its subsidiaries did not own any buildings for their own use, but rather carried on their activity in properties leased under operating leases.

Commitments in relation to operating leases are payable as follows:

	2017	2016 (unaudited)
	£	£
Less than one year	39,662	111,215
Between one and five years	-	16,152
More than five years	-	-
	39,662	127,367

Company

During 2016 and 2017, the company did not have any lease commitment.

22. RELATED PARTIES

a. Subsidiaries

The Company's principal subsidiaries as at 31 December 2017 are set out below:

Name of entity	Address of registered office	Ownership	Principal activities
Ecosphere Capital Partners LLP	3rd Floor, 12 Gough Square, London, EC4A 3DW, UK	100%	Consultants
Althelia Climate Fund GP S.à.r.l.	5, Rue Guillaume Kroll, L-1882, Luxembourg	100%	General Partner of funds
Althelia Sustainable Ocean Fund S.C.A.	5, Rue Guillaume Kroll, L-1882, Luxembourg	100%	General Partner of funds

22. RELATED PARTIES (CONTINUED)

b. Transactions with key management personnel

i. Loans from companies controlled by the Directors

The Group took over a loan of €425,578 and the accrued interest thereon of €17,197 from Piccolo 5 S.A., a company controlled by Sylvain Goupille, as part of the net assets acquired from ACF GP on 29 September 2017.

The Group also took over a loan of €195,668 and the accrued interest thereon of €7,135 from Dog Star S.à.r.l., a company controlled by Christian del Valle, as part of the net assets acquired from ACF GP on 29 September 2017.

Both loans bear no interest since 29 September 2017 and are repayable on 7 April 2020. No loan repayment was made during the year.

At 31 December 2017, the outstanding loans and the accrued interest thereon were:

	2017	2016 (unaudited)
	£	£
Loan from Piccolo 5 S.A.	377,573	-
Loan from Dog Star S.à.r.l.	173,597	-
Interest on loan from Piccolo 5 S.A.	15,257	-
Interest on loan from Dog Star S.à.r.l.	6,331	-
	572,758	-

ii. Key management personnel compensation comprised the following

	2017	2016 (unaudited)
	£	£
Short term employee benefits	71,702	-
Social security costs	18,570	-
Defined benefits contributions	4,816	-
Other benefits	1,281	-
	96,369	-

c. Other related party transactions

During the year, ECP made a loan repayment of £68,000 (2016: £9,000) to MNCL. The loan outstanding at the end of the year was nil (2016: £68,000).

ECP made a further debtor repayment of £28,851 (2016: £25,489) to MNCL. There was no debtor amount due by ECP at the end of the year (2016: £28,851).

ECP made costs recharges of £154,026 (2016: £nil) to MNCL. At the end of the year, the amount due by MNCL to ECP was £184,831 (2016: £nil).

ACF made costs recharges of £154,025 (2016: £nil) to MNCL. At the end of the year, the amount due by MNCL to ACF was £154,025 (2016: £97,235).

22. RELATED PARTIES (CONTINUED)

Company

d. Transactions with key management personnel

i. Key management personnel compensation comprised the following

	2017	2016 (unaudited)
	£	£
Short term employee benefits	71,702	-
Social security costs	18,570	-
Defined benefits contributions	4,816	-
Other benefits	1,281	-
	96,369	-

e. Other related party transactions

During the year, ECP made a loan repayment of £68,000 (2016: £9,000) to MNCL. The loan outstanding at the end of the year was nil (2016: £68,000).

ECP made a further debtor repayment of £28,851 (2016: £25,489) to MNCL. There was no debtor amount due by ECP at the end of the year (2016: £28,851).

ECP made costs recharges of £154,026 (2016: £nil) to MNCL. At the end of the year, the amount due by MNCL to ECP was £184,831 (2016: £nil).

At 31 December 2017, the Company has loans and accrued loan interest payable thereon to ACF of £116,307 (2016: £109,199). The loans bear interest of 5% per annum. One loan for €82,000 is repayable on 1 August 2021 while another loan for £33,082 is repayable on 15 September 2024. No loan or loan interest payment was made during the year (2016: £nil).

ACF made costs recharges of £154,025 (2016: £nil) to MNCL. At the end of the year, the amount due by MNCL to ACF was £154,025 (2016: £97,235).

24. SUBSEQUENT EVENTS

Subsequent events have been evaluated up to the date on which the financial statements were approved and authorised for issue by the Directors.

The following events were identified:

- On 13 March 2018 the following persons were appointed as Directors of the Company:

  - Raphael Lance
  - Anne-Laurence Roucher
  - Philippe Zaouati

- Following the decision of the Directors, Ecosphere Capital Partners LLP went into liquidation in June 2018.

24. SUBSEQUENT EVENTS (CONTINUED)

- In May 2018, Sustainable Ocean Fund GP S.à.r.l., a fully owned subsidiary, was set up be the Company in Luxembourg. Its main activity is to be a General Partner of Sustainable Ocean Fund S.C.A SICAV-SIF. ASOF is deconsolidated from the Group as of 29 June 2018.

- On 21 September 2018, the Company changed its name from Ecosphere Capital Limited to Mirova Natural Capital Limited.

There have been no other significant events affecting the Company or the Group since the year end.

25. ULTIMATE HOLDING COMPANY

The controlling party and immediate parent of the Group is Mirova S.A. who owns 51% of the ordinary shares of the Company and exercises 51% of the voting rights over the Company's operations. Mirova S.A. is 100% owned by Ostrum Asset Management (previously named Natixis Asset Management) who are the ultimate parent company. The results of the Group are presented within the consolidated financial statements of Ostrum Asset Management, copies of which are available at 30 Avenue Pierre Mendes-France, 75013 Paris, France.

26. TRANSITION FROM UK GAAP TO IFRS

The Company transitioned from United Kingdom Generally Accepted Accounting Principles FRS102 1A to IFRS for the financial year beginning on 1 January 2017. A full Reconciliation of Equity and Reconciliation of Profit were performed on the prior year unaudited opening balances of the Primary Statements as presented in the Annual Report. There was no impact on the opening balances as a result of the transition and change in accounting policies.