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Financial Highlights

For the period 13 August 2013 to 30 June 2014

- Foresight Solar Fund Limited ("The Company") is a listed renewable infrastructure company investing in ground based, operational solar power plants predominantly in the UK.
- Net Asset Value per ordinary share of 103.6p at 30 June 2014, compared to 98p at IPO, a 5.7% increase. The basis of investment valuation is a Discounted Cash Flow ("DCF") forecast. A weighted average discount rate of 8.0% has been used.
- Contracts exchanged on Kencot and Bournemouth assets, with grid connections anticipated in Q3/Q4 2014.
- Interim dividend of 3.0 pence per share approved on 19 August 2014 in relation to the period to 30 June 2014.
- Further equity capital raises envisaged as assets secured utilising £100m acquisition facility become operational.
- The Company's 11MW, seven asset UK solar portfolio is fully operational. Two of the seven assets have not yet reached financial completion.
- Nine committed assets in total with capacity of 185MW expected to be fully operational in Q3/Q4 2014.
- The Company maintains the lowest risk approach to the sector taking no blind pool, development, construction or subsidy risk in its acquisition.
- Profit for the period was £8.088m and earnings per share were 5.39 pence.

Corporate Summary, Investment Objective and Dividends

Corporate Summary

Foresight Solar Fund Limited is a closed-end company with an indefinite life, incorporated in Jersey under The Companies Law 1991 (Jersey), as amended, on 13 August 2013, with registered number 113721.

The Company has a single class of 150,000,000 Ordinary Shares in issue of nil par value which are listed on the premium segment of the Official List and traded on the London Stock Exchange's Main Market.

The Company's shareholders include a substantial number of blue-chip institutional investors.

Investment Objective

The Company seeks to provide investors with a sustainable dividend, linked to the Retail Price Index ("RPI") together with the potential for capital growth over the long-term by investing in a diversified portfolio of predominantly UK ground based solar assets.

Investments outside the UK, and assets which are still under construction when acquired, will be limited to 25 percent of the gross asset value of the Company, calculated at the time of investment.

The Company is managed by an experienced team from Foresight Group, an independent infrastructure and private equity investment management firm, overseen by a strong, experienced and majority independent Board.

Dividends

The Company intends to target a 6 pence annual dividend per Ordinary Share from 1 January 2014 which is expected to increase in line with RPI annually thereafter, together with a target unlevered Internal Rate of Return ("IRR") of between 7 - 8%, net of all fees and expenses. Dividends on the Ordinary Shares are expected to be paid twice a year, in equal instalments, normally in respect of the 6 months to 30 June and 31 December. The first dividend of 3 pence per Ordinary Share for the period under review was declared on 19 August 2014 and will be paid on 30 September 2014.

Chairman's Statement

For the period 13 August 2013 to 30 June 2014

"The Board and Foresight Group CI Limited, the Investment Manager, believe that strong progress has been made in maintaining the Company's position on the UK listed market as the largest solar specific renewable infrastructure company. This position is expected to strengthen further once the exchanged contracts to acquire the Kencot and Bournemouth plants complete. Together this will lead to a combined Enterprise Value of £250m for the Company. This growth in scale gives us confidence in further achieving the original objectives of the Company."

Results

I am pleased to be able to report strong progress in the formation of the Company's portfolio of solar investments, both before and following the period end, which is more fully described in the Investment Manager's Report. The Placing and Offer for Subscription pursuant to the Prospectus published by Foresight Solar Fund Limited on 20 September 2013 ("the Placing & Offer") proved attractive to investors with £150,000,000 having been raised at the time the ordinary shares listed on 29 October 2013.

The net asset value per Ordinary Share increased to 103.62p at 30 June 2014 from 98.0p per Ordinary Share at launch on 29 October 2013. The performance of the underlying portfolio is more fully described in the Investment Manager's Report.

Dividend Policy

As noted in the Prospectus published on 20 September 2013 and subject to market conditions, the Company's performance, financial position and financial outlook, it is the Directors' intention to pay a sustainable and RPI-linked level of dividend income to Shareholders on a semi-annual basis. Whilst not forming part of its Investment Policy, the Company targeted the payment of an initial annual dividend of 6 pence per Share from the year commencing 1 January 2014. Given the nature of the Company's income streams, the Directors anticipate being able to increase the annual dividend in line with RPI for the period commencing 1 January 2015.

I am pleased to announce that, as targeted in the Prospectus, the first interim dividend of 3 pence per Ordinary Share will be paid on 30 September 2014 in respect of the period from 1 January 2014 to 30 June 2014. The dividend will have a record date of 29 August 2014 and an ex-dividend date of 27 August 2014. The second interim dividend of 3 pence per Ordinary Share is targeted to be paid in March 2015 in respect of the period from 1 July 2014 to 31 December 2014.

The target dividend should not be taken as an indication of the Company's expected future performance or results.

Share Issues

During the period from incorporation on 13 August 2013 to 30 June 2014, the Board allotted 150,000,000 Ordinary Shares with a nil par value of 100.0p per share.

Valuation Policy

Investments held by the Company have been valued in accordance with IAS 39 and IFRS 13, using Discounted Cash Flow principles. The portfolio valuations are prepared by Foresight Group, reviewed and approved by the Board quarterly and subject to audit at least annually.

Outlook

The Board and Foresight Group is encouraged that all of the £100m acquisition facility, secured through Royal Bank of Canada, Royal Bank of Scotland and Santander, has been fully committed against two significant solar projects.

Although the Government has confirmed changes to the Renewable Obligations ("RO") incentive from March 2015, the Board and Investment Manager both believe that a combination of the investments made to date and the pipeline of potential opportunities currently being considered will continue to provide attractive returns together with the associated benefits of scale to shareholders over the longer term.

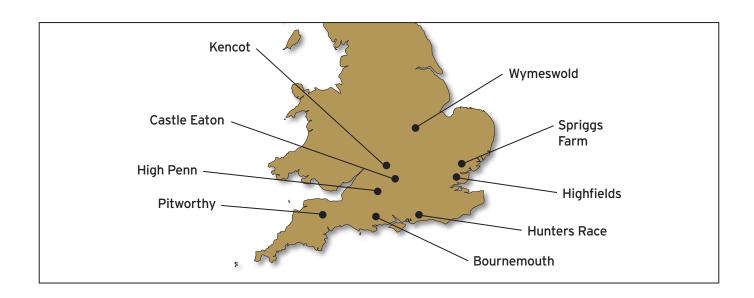
Alexander Ohlsson Chairman 19 August 2014

Investment Summary

For the period 13 August 2013 to 30 June 2014

Asset	Location	Status	MW	ROCs	Date of Agreement to acquire	Acquisition date	Solar Panels	Hectares	Construction party
Acquired:									
Wymeswold	Leicestershire	Operational and accredited	32.2	2.0	October 2013	November 2013	134,000	78	Lark Energy
Castle Eaton	Wiltshire	Operational and accredited	17.8	1.6	March 2014	June 2014	60,000	40	SunEdison
Highfields	Chelmsford, Essex	Operational and accredited	12.2	1.6	March 2014	June 2014	40,000	37	SunEdison
High Penn	Wiltshire	Operational and accredited	9.6	1.6	March 2014	June 2014	34,000	30	SunEdison
Pitworthy	North Devon	Operational and accredited	15.6	1.4	April 2014	June 2014	49,000	44	SunEdison
Operational, aw	aiting financial	completion							
Spriggs Farm	Essex	Operational	12.0	1.6	April 2014	Q3 2014	50,000	31	Bester Generation
Hunters Race	West Sussex	Operational	10.7	1.4	February 2014	September 2014	41,000	12	Hareon Solar
Under construc	Under construction, awaiting financial completion (expected acquisition):								
Kencot	Oxfordshire	Under construction	37	1.4	April 2014	Q3/Q4 2014	144,000	52	Conergy
Bournemouth	Dorset	Under construction	37.0	1.4	May 2014	Q3/Q4 2014	146,000	77	Goldbeck

Company Assets



Asset 1: Wymeswold		
Capacity	• 32.2MW	
Tilted irradiance (kWh/m2/yr)	• 1,117	
Location	Wymeswold Airfield, Loughborough	
Grid Connection Date	• March 2013	
ROCs per MWh	• 2.0	
EPC/O&M Contractor	• Lark Energy (replaced SAG in April 2014)	THE REAL PROPERTY.
PPA	• 15-year PPA with TOTAL	

Asset 2: Castle Eaton		
Capacity	• 17.8MW	
Tilted irradiance (kWh/m2/yr)	• 1,122	
Location	Cirencester, Gloucestershire	
Grid Connection Date	• March 2014	
ROCs per MWh	• 1.6	
EPC/O&M Contractor	• SunEdison	
PPA	• 18-month PPA with SmartestEnergy	

Company Assets (continued)

Asset 3: Highfields		
Capacity	• 12.2MW	
Tilted irradiance (kWh/m2/yr)	• 1,144	
Location	• Kelvedon, Essex	
Grid Connection Date	• March 2014	
ROCs per MWh	• 1.6	
EPC/O&M Contractor	• SunEdison	
PPA	• 18-month PPA with SmartestEnergy	

Asset 4: High Penn		
Capacity	• 9.6MW	
Tilted irradiance (kWh/m2/yr)	• 1,143	
Location	• Calne, Wiltshire	
Grid Connection Date	• March 2014	
ROCs per MWh	•1.6	
EPC/O&M Contractor	• SunEdison	
PPA	• 18-month PPA with SmartestEnergy	

Asset 5: Spriggs Farm		
Capacity	• 12.0MW	
Tilted irradiance (kWh/m2/yr)	•1,203	
Location	• Thaxted, Essex	
Grid Connection Date	• March 2014	
ROCs per MWh	• 1.6	
EPC/O&M Contractor	Bester Generacion	
PPA	• 18-month PPA with Statkraft	

Asset 6: Pitworthy		
Capacity	• 15.6 MW	
Tilted irradiance (kWh/m2/yr)	• 1,158	AND THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS
Location	Holsworthy, Devon	
Grid Connection Date	• April 2014	A STATE OF THE STA
ROCs per MWh	•1.4	
EPC/O&M Contractor	• SunEdison	
PPA	• 18-month PPA with SmartestEnergy	

Asset 7: Hunters Race		
Capacity	• 10.4MW	
Tilted irradiance (kWh/m2/yr)	• 1,240	
Location	• Lavant, West Sussex	
Grid Connection Date	• July 2014	
ROCs per MWh	•1.4	
EPC/O&M Contractor	• Hareon	1 The second sec
PPA	• 18-month PPA with Statkraft	

Asset 8: Kencot		
Capacity	• 37.2 MW	
Tilted irradiance (kWh/m2/yr)	• 1,166	
Location	Kencot, Oxfordshire	
Grid Connection Date	• Expected Q3/Q4 2014	
ROCs per MWh	• 1.4	
EPC/O&M Contractor	• Conergy	
PPA	• 18-month PPA with Statkraft	

Map of Projects (continued)

Asset 9: Bournemouth		
Capacity	• 37.3MW	
Tilted irradiance (kWh/m2/yr)	• 1,264	
Location	Bournemouth, Dorset	
Grid Connection Date	• Expected Q3/Q4 2014	
ROCs per MWh	•1.4	
EPC/O&M Contractor	• Goldbeck	
PPA	• 18-month PPA with Total	

Investment Manager's Report

For the period 13 August 2013 to 30 June 2014

Foresight Group - The Investment Manager

Formed in 1984, Foresight's track record was initially built by focusing on unquoted investments in the UK. As we have grown, our investment approach has since evolved to encompass private equity, infrastructure and environmental investments in the UK, US and Italy.

Foresight is now a leading infrastructure and private equity Investment Manager wholly owned by its Partners. Foresight manages nine dedicated Solar Funds valued at over £775m including over 154MW of existing operational capacity in the UK. The Solar team have been active in the sector since 2007 and currently consists of 22 investment professionals.

With current assets under management of over £1.2bn, raised from pension funds and other institutional investors, UK and international private and high net-worth individuals and family offices, Foresight strives to deliver strong, risk-adjusted returns to its investors.

Foresight's head office is located in The Shard at London Bridge with satellite offices in Rome and San Francisco.

The Company

The Company's IPO on 24 October 2013 raised £150m, creating the largest dedicated solar investment company listed in the UK at this time. The Company has maintained its strategy of taking no development, construction or subsidy risk in the acquisition of assets while fully allocating its IPO proceeds across seven fully operational UK assets with a combined capacity of 111MW.

The acquisition of two of these assets, Hunters Race and Spriggs Farm, has not yet been recognised in the financial statements. The vendors have entered into sale agreements contingent on certain conditions being met, including ROC accreditation being received. It is the prudent policy of the Company not to recognise acquisition, or revenue generation, of assets until this accreditation is achieved.

On 19 May 2014, the Company entered into a £100m debt acquisition facility. This facility will be drawn to fund the further binding agreements entered into for the large scale Kencot and Bournemouth assets which will see the Company reach 185MWs of total capacity later in 2014. It is expected that the facility will be repaid through a combination of excess dividend cover and further equity issuance (when the assets are operational) and/or refinancing with a long-term debt facility.

Following the completion of the acquisition of Kencot and Bournemouth, the Company will own and manage three of the UK's largest operational solar power plants.

Investment Portfolio

IPO proceeds used to acquire 111MW of operational UK solar capacity comprising seven individual utility scale assets. The assets have been, or will be, wholly acquired at attractive pricing and offer manufacturer and geographical diversification within the portfolio.

Crucially, the portfolio has been designed to deliver the target return profile without taking unnecessary risk. This is defined as the avoidance of construction risk, which, in itself, can be managed depending on the balance sheet strength of the construction contractor. More difficult to manage is the risk of failing to meet the 31 March ROC subsidy deadline which, in 2015, is a cliff-edge deadline given the acceleration of the Contracts for Difference ("CfD") mechanism for projects greater than 5MWs after this date.

Projects are not presently sustainable in this scenario as there is no certainty that assets will be eligible for CfDs or that contractors will be unable to refund the construction finance.

Foresight have deliberately set out to execute a low risk strategy of avoiding construction and subsidy risk and have negotiated these terms accordingly with large and experienced contractors. This avoids unnecessary risk exposure for shareholders.

Portfolio Performance

The Company does not take construction or subsidy qualification/accreditation risk and although revenue will accrue to the investment companies from connection, this will not be recognised until financial completion of the acquisition. We expect this to happen for each asset soon after subsidy qualification/accreditation is received.

Investment Manager's Report (continued)

For the period 13 August 2013 to 30 June 2014

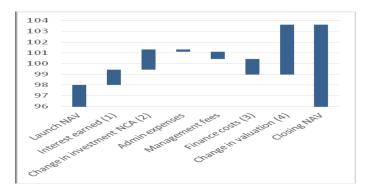
We believe this prudent recognition approach mirrors the risk profile of the Company although it does mean that the NAV calculation will only reflect accrued benefits at this completion date when an acquisition has occurred during the period.

In general, operational performance of the assets has been strong, achieving higher than anticipated returns. This is despite poorer than expected weather conditions during the first six months of the year. The Wymeswold asset has produced 2.4% over and above base case forecasts while irradiance has been 2.2% lower than expectations over the same period. We do not expect short-term fluctuations in power generation to affect the medium to long-term forecasts.

The focus of the period under review was deployment of the IPO proceeds into a strong operational asset base. The Wymeswold asset is the only asset that has been under our operational management for a significant proportion of the period and therefore providing details of operational performance across the whole portfolio would be less directly relevant for the Company at this time.

Investment Performance

The NAV at launch was 98p per share. The NAV per share as at 30 June 2014 had grown to 103.6p. The increase is driven by energy generation and increases in asset valuation above the cost of the investment. The factors contributing to the increase in NAV are detailed below.



- (1) Includes interest on shareholder loans and treasury management;
- (2) Change in net current assets at investment level. Includes cash and accrued revenues less liabilities;
- (3) Arrangement fees regarding the acquisition facility;
- (4) The difference between the fair market valuation (on a DCF basis) and the cost price.

Valuation of the Portfolio

The Investment Manager is responsible for providing fair market valuations of the Company's assets to the Directors. The Directors review and approve these valuations following appropriate challenge and examination. Valuations are carried out quarterly.

The current portfolio consists of non-market traded investments and valuations are based on a DCF methodology. This methodology adheres to IAS 39 and IFRS 13.

It is the policy of the Investment Manager to value with reference to DCF immediately following acquisition. This is partly due to the long periods between agreeing an acquisition price and financial completion of the acquisition. Quite often this delay incorporates construction as well as time spent applying for, and achieving ROC accreditation, which the Company's acquisition of assets is contingent on. Whilst revenues generally accrue for the benefit of the purchaser, revenues accrued do not form part of the DCF calculation when making a fair and proper valuation until ROC accreditation is achieved.

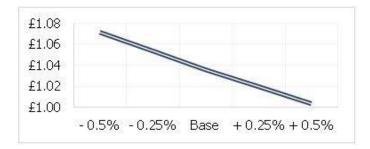
A broad range of assumptions are used in our valuation models. These assumptions are based on long-term forecasts and are not affected by short-term fluctuations in inputs, be it economic or technical.

Valuation Sensitivities

Where possible, assumptions are based on observable market and technical data. In many cases, such as the forward power price, we make use of external professional advisors to provide reliable and evidenced information while often applying a more prudent approach to that of our information providers. We have set out below the inputs we feel would have a material effect upon the NAV should they be flexed. The following information assumes the relevant input is flexed over the entire useful life of the assets. All sensitivities are calculated independently of each other.

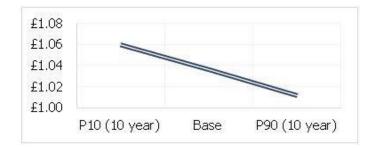
Discount Rate

	-0.5%	-0.25%	Base	+0.25%	+0.5%
Directors valuation (£m)	160.65	158.00	155.43	152.95	150.54
NAV per share (£)	1.071	1.053	1.036	1.020	1.004



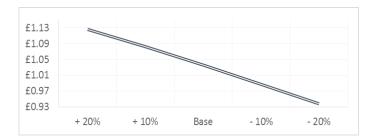
Energy Yield

	P10 (10 year)	Base	P90 (10 year)
Directors valuation (£m)	158.97	155.43	151.71
NAV per share (£)	1.060	1.036	1.011



Power Price

	+ 20%	+ 10%	Base	- 10%	- 20%
Directors valuation (£m)	168.86	162.39	155.43	148.09	140.76
NAV per share (£)	1.126	1.083	1.036	0.987	0.938

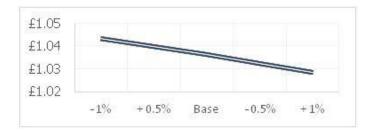


Investment Manager's Report (continued)

For the period 13 August 2013 to 30 June 2014

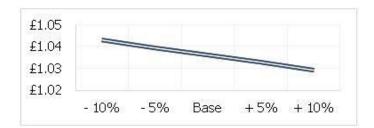
Inflation

	- 1%	+ 0.5%	Base	- 0.5%	+ 1%
Directors valuation (£m)	156.50	155.97	155.43	154.86	154.30
NAV per share (£)	1.043	1.040	1.036	1.032	1.029



Operating costs (investment level)

	- 10%	- 5%	Base	+ 5%	+ 10%
Directors valuation (£m)	156.43	155.93	155.43	154.91	154.39
NAV per share (£)	1.043	1.040	1.036	1.033	1.029



Financial Results

The Company has prepared financial statements for the Interim Period from incorporation to 30 June 2014. No meaningful activities took place between incorporation and IPO. The first full accounting period of the Company ends 31 December 2014.

As at 30 June 2014, the NAV of the Fund was £155.43m or £1.036 per share issued, an increase of 5.7% on the Launch NAV. Profit before tax for the period was £8.088m and earnings per share were 5.39 pence.

The Directors have satisfied themselves with the valuation methodology including the underlying assumptions used to approve the portfolio valuation.

Since inception, the Company has confirmed its intent to deliver its target dividend of 6 pence per ordinary share in respect of its first financial period. Strong underlying asset performance and attractive pricing gives the Directors comfort that target distribution levels will be met while maintaining capital in real terms.

Financing

The proposed acquisition facility outlined in the IPO Prospectus reached financial close within the period for a total facility size of £100m. This facility will be drawn to fund the future acquisition of operational UK solar power plants. It is expected that the facility will be repaid through utilisation of one or more of; excess dividend cover, further equity issuance and/or refinancing with a long-term debt facility.

The providers of the facility are RBC, RBS and Santander.

The first asset which will be formally acquired by the Company utilising this debt facility is expected to be the 37MW Kencot, Oxfordshire asset which is currently under construction.

The Articles provide that gearing, calculated as borrowings as a percentage of the Company's Gross Asset Value will not exceed 50% at the time of drawdown. It is intended that there will be no borrowings at the level of each investment. It is the Board's current intention that gearing, calculated as borrowings as a percentage of the Company's Gross Asset Value, will not exceed 40 per cent. at the time of drawdown.

Risk Management

Reliance is placed on the internal systems and controls of external service providers such as the Administrator and the Investment Manager in order to effectively manage risk across the portfolio. The identification, quantification and management of risk are central to the role of the Investment Manager who, for this purpose, categorises risk as follows:

Day-to-day risk management	Monitoring performance of contractors
	Promoting safe, compliant and reliable operating environments
	Levels of solar irradiation
	Insurance
	Land and property, including lease negotiation
	Environmental, including health and safety concerns
	Technology (suppliers, warranties and quality)
Business and strategic risk management	Integration of risk management into key business processes such as acquisition identification, performance management, resource allocation
	Economic factors including power prices, interest rates and inflation
	Political factors including tax and energy subsidy legislation
	Financial and technical reporting accuracy and timelines
Corporate oversight and governance	The board provide oversight to identify and mitigate significant risks. The Board are responsible for monitoring the Company's reliance on professional advisors
	Conflicts of interest
	Performance against financial objectives

Investment Manager's Report (continued)

For the period 13 August 2013 to 30 June 2014

Outlook

The first asset which will be formally acquired by the Company utilising the acquisition facility is expected to be the 37MW Kencot asset which is currently under construction. Reflecting the Company's preferred risk profile of acquiring operating assets, Kencot is expected to become operational in Q3/Q4 2014 and will qualify under the 1.4 ROC rate. Kencot further demonstrates the Investment Managers ability to source large scale solar assets at prices that deliver on the return proposition of the Company.

The Bournemouth asset, also in construction, will be acquired on a similar basis to Kencot and is expected to become operational in Q3/Q4 2014.

A further pipeline of additional 1.4 ROC assets that will be connected before 31 March 2015 is being pursued on behalf of the Company. The ROC regime is due to end for UK solar assets over 5MWs in size in March 2015 and will be replaced by a CfD mechanism. We have started, and will continue, to work with developers to facilitate their participation in the CfD auction process to lock-in subsidies and to put the Company in the best position to secure assets under the CfD regime going forward. At the same time, we have confidence that the secondary market in ROC (and Feed-in-Tariff) assets will remain strong. We also expect portfolios of up to 5MW ROC assets to deliver significant pipeline volume going forward.

Foresight Group CI Limited Investment Manager 19 August 2014

Statement of Directors' Responsibilities

The Directors of Foresight Solar Fund Limited (the "Directors") have accepted responsibility for the preparation of these non-statutory accounts for the period ended 30 June 2014 which are intended by them to give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. They have decided to prepare the non-statutory accounts in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

In preparing these non-statutory accounts, the Directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether they have been prepared in accordance with IFRS as adopted by the EU; and
- prepared the non-statutory accounts on the going concern basis as they believe that the Company will continue in business.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

For and on behalf of the Board

Alexander Ohlsson Chairman 19 August 2014

Directors Biographies

The Directors, who are non-executive and, other than Mr Dicks, independent of the investment manager and Foresight Group CI Limited, are responsible for the determination of the investment policy of the Company, have overall responsibility for the Company's activities including its investment activities and for reviewing the performance of the Company's portfolio. The Directors are as follows:

Alexander Ohlsson (Chairman)

Mr Ohlsson is managing partner for the law firm Carey Olsen in Jersey. He is recognised as a leading expert in corporate and finance law in Jersey and is regularly instructed by leading global law firms and financial institutions. He is the independent chairman of the States of Jersey's audit committee and an Advisory Board member of Jersey Finance, Jersey's promotional body. He is also a member of the Financial and Commercial Law Sub-Committee of the Jersey Law Society which reviews as well as initiates proposals for legislative changes. He was educated at Victoria College Jersey and at Queens' College, Cambridge, where he obtained an MA (Hons) in law. He has also been an Advocate of the Royal Court of Jersey since 1995.

Mr Ohlsson was appointed as a non-executive Director and Chairman on 16 August 2013.

Christopher Ambler

Mr Ambler has been the Chief Executive of Jersey Electricity plc since 1 October 2008. He previously held various senior positions in the global industrial, energy and materials sectors working for major corporations, such as ICI/Zeneca, the BOC Group and Centrica/British Gas as well as in strategic consulting roles. Mr Ambler is a Chartered Engineer and a Member of the Institution of Mechanical Engineers. He holds a first class Honours Degree from Queens' College Cambridge and an MBA from INSEAD.

Mr Ambler was appointed as a non-executive Director on 16 August 2013.

Peter Dicks

Mr Dicks is currently a director of a number of quoted and unquoted companies. In addition, he was the Chairman of Foresight VCT plc and Foresight 2 VCT plc from their launch in 1997 and 2004 respectively until 2009 and since then he has continued to serve on both of these boards. He is also on the Board of Foresight 3 VCT plc, Foresight 4 VCT plc, Graphite Enterprise Trust plc and Mears Group plc. He is also Chairman of Unicorn AIM VCT plc and Private Equity Investor plc.

Mr Dicks was appointed as a non-executive Director on 16 August 2013.

Environmental and Social Governance

The Company invests in solar farms. The environmental benefits received through the production of renewable energy are widely published.

Further to the obvious environmental advantages of large scale renewable energy each investment is closely scrutinised for localised environmental impact. Where improvements can be made we will work with planning and local authorities to minimise visual and auditory impact of sites.

Foresight Group is a signatory to the United Nations Principles for Responsible Investing ("UNPRI"). The UNPRI is a global, collaborative network of investors established in 2006.

It is the intention of the Investment Manager to appoint a health and safety consultant to review all portfolio assets to ensure they not only meet but outclass industry and legal standards. The Kent Wildlife Trust has also been appointed to review site operations across the UK with the aim of minimising the impact all our sites may have on local wildlife.

Advisers

ADVISERS	
ADMINISTRATOR & COMPANY SECRETARY	REGISTRAR
JTC (Jersey) Limited	Computershare Investor Services (Jersey)
Elizabeth House	Queensway House
9 Castle Street	Hilgrove Street
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CONTACT	CONTACT
Matthew Coakes: +44 207 653 4000	Neil Winward: +44 207 710 7460

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Independent Auditor's Report to Foresight Solar Fund

We have audited the non-statutory accounts of Foresight Solar Fund for the period ended 30 June 2014 set out on pages 11 to 28. These non-statutory accounts have been prepared for the reasons set out in note 2.1 to the non-statutory accounts and on the basis of the financial reporting framework of International Financial Reporting Standards (IFRSs) as adopted by the EU.

Our report has been prepared for the Company solely in connection with these interim accounts. It has been released to the Company on the basis that our report shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

Our report was designed to meet the agreed requirements of the Company determined by the Company's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 9, the directors are responsible for the preparation of the non-statutory accounts, which are intended by them to give a true and fair view. Our responsibility is to audit, and express an opinion on, the non-statutory accounts in accordance with the terms of our engagement letter dated 8 August 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the non-statutory accounts

An audit involves obtaining evidence about the amounts and disclosures in the non-statutory accounts sufficient to give reasonable assurance that the non-statutory accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the entity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the non-statutory accounts.

In addition we read all the financial and non-financial information in the interim accounts to identify material inconsistencies with the audited non-statutory accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on non-statutory accounts

In our opinion the non-statutory accounts:

- give a true and fair view of the state of the Company's affairs as at 30 June 2014 and of its profit for the period then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the FII

Gareth Horner (Senior Statutory Auditor) for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants 15 Canada Square Canary Wharf London E14 5GL 19 August 2014

Foresight Solar Fund Limited

Interim Consolidated Statement of Comprehensive Income For the period 13 August 2013 to 30 June 2014

Tot the period 15 August 2015 to 50 Julie 2014	Notes	Period 13 August 2013 to 30 June 2014 £
Continuing operations	Notes	£
Revenue Interest revenue	4	2,125,602
Gains on investments at fair value through profit or loss	16	9,851,155
camb on micronic at itali rates anough profit of loss		
Total revenue		11,976,757
Expenditure		
Finance costs	5	(2,064,105)
Management fees	6	(1,038,463)
Administration and accountancy expenses	7	(110,373)
Launch costs	8	(339,044)
Directors' fees	9	(109,247)
Other expenses	10	(227,592)
Total expenditure		(3,888,824)
Profit before tax for the period		8,087,933
Taxation	11	
Profit and total comprehensive income for the period.		8,087,933
Familian and Outliness Character (consequence)	12	F 20
Earnings per Ordinary Share (pence per share)	12	5.39

All items above arise from continuing operations, there have been no discontinuing operations during the period.

Foresight Solar Fund Limited

Interim Consolidated Statement of Financial Position As at 30 June 2014		30 June 2014
Assets	Notes	£
Non-current assets Investments held at fair value through profit or loss	16	124,794,372
Total non-current assets		124,794,372
Current assets Trade and other receivables Cash and cash equivalents Total current assets	13 14	1,299,100 32,393,888 33,692,988
Total assets		158,487,360
Equity Retained earnings Stated capital Total equity Liabilities	18	8,087,933 147,339,044 155,426,977
Non-current liabilities Long-term borrowings	21	2,100,000
Total non-current liabilities		2,100,000
Current liabilities Trade and other payables	15	960,383
Total current liabilities		960,383
Total liabilities		3,060,383
Total Equity and Liabilities		158,487,360
Net Asset Value ("NAV") per Ordinary Share (£)	19	1.04

The interim Financial Statements on pages 11 to 28 were approved by the Board of Directors and signed on its behalf on 19 August 2014 by:

Christopher Ambler

Director

Foresight Solar Fund Limited

Interim Consolidated Statement of Changes in Equity For the period 13 August 2013 to 30 June 2014

Tor the period 15 August 2015 to 50 June 2014				
		Stated Capital	Retained Earnings	Total
	Notes	£	£	£
Balance as at 13 August 2013 Total comprehensive income for the period:		-	-	-
Profit for the period		-	8,087,933	8,087,933
Transactions with owners, recognised directly in equity:				
Issue of Ordinary Shares	18	150,000,000		150,000,000
Capitalised issue costs	18	(2,660,956)	-	(2,660,956)
Balance as at 30 June 2014		147,339,044	8,087,933	155,426,977

Interim Consolidated Statement of Cash Flows For the period 13 August 2013 to 30 June 2014

	Period 13 August 2013 to 30 June 2014
	£
Profit for the period after tax from continuing operations	8,087,933
Adjustments for: Unrealised gains on investments Financing income Investment income Finance costs Tax expense	(9,851,155) (263,700) (1,857,618) 2,064,105
Operating cash flows before movements in working capital	(1,820,435)
Decrease/(increase) in trade and other receivables (Decrease)/increase in trade and other payables	(7,245) 662,178
Net cash outflow from operating activities	(1,165,502)
Investing activities Advances for future investments Acquisition of subsidiaries Investment income	(276,077) (114,943,217) 1,135,211
Net cash outflow from investing activities	(114,084,083)
Financing activities Finance costs paid Bank facility drawn down Net excess launch costs paid Capitalised issue costs paid Proceeds from issues of shares	(1,765,900) 2,100,000 (29,671) (2,660,956) 150,000,000
Net cash inflow from financing activities	147,643,473
Net increase in cash and cash equivalents	32,393,888
Cash and cash equivalents at beginning of period	-
Effects of foreign exchange rates	-
Cash and cash equivalents at end of period	32,393,888

1 Company information

Foresight Solar Fund Limited (the "Company") is a closed-ended company with an indefinite life and was incorporated in Jersey under the Companies Law (Jersey) 1991, as amended, on 13 August 2013, with registered number 113721. The address of the registered office is shown on page 29.

The principal activity of the Company and its special purpose vehicles ("SPVs") (together "the Group") is investing in operational UK ground based solar power plants.

The Company has one investment, Foresight Solar (UK Hold Co) Limited ("UK Hold Co"). UK Hold Co invests in further holding companies (the SPVs) which then invest in the underlying investments. The Company ultimately has several investments which is in accordance with IFRS 10. See note 2.5 for details on the subsidiaries.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these interim consolidated Financial Statements (the "Financial Statements") are set out below.

2.1 Basis of preparation

The Financial Statements of the Group have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") which comprise standards and interpretations issued by the International Accounting Standards Board ("IASB"), and International Accounting Standards and Standing Interpretations approved by the International Financial Reporting Interpretation Committee that remain in effect and to the extent they have been adopted by the European Union. The Financial Statements have been prepared on the historical cost convention as modified for the measurement of certain financial instruments at fair value through profit or loss and in accordance with the provisions of the Companies (Jersey) Law 1991.

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and underlying assumptions are reviewed on an ongoing basis. Judgements made by management in the application of IFRS that have a significant effect on the Financial Statements and estimates with a significant risk of material adjustment in the next year are disclosed in note 3.

2.2 Comparative information

There are no comparative figures within these Financial Statements as there is no comparable comparative as defined in IAS 1 paragraph 38 given the Group was created on 13 August 2013.

2.3 Going concern

The Directors have considered the Group's cash flow projections for a period of no less than twelve months from the date of approval of these consolidated Financial Statements together with the Group's borrowing facilities. These projections show that the Group will be able to meet its liabilities as they fall due.

The Directors have therefore prepared the Financial Statements under the going concern basis.

2.4 Changes in accounting policies and disclosures

Application of new and revised International Financial Reporting Standards ("IFRSs")

As this is the Group's first period of preparing Financial Statements there are no new/revised standards relevant to the Group which have been adopted in the preparation of these Financial Statements given that there are no comparative amounts as stated in note 2.2 above.

New and revised IFRSs in issue but not vet effective

The Group has chosen to early adopt the following standards and interpretations in the preparation of the Financial Statements which have a material impact on the Group:

• Investment Entities' (Amendments to IFRS 10, IFRS 12 and IAS 27) (effective for accounting periods commencing on or after 1 January 2013, EU endorsement from 1 January 2014'). An exemption from consolidation of subsidiaries is now provided under the amended IFRS 10 'Consolidated Financial Statements' for entities which meet the definition of an 'investment entity'. Instead, investments in particular subsidiaries can be measured at fair value through profit or loss in accordance with IFRS 9 'Financial Instruments' or IAS 39 'Financial Instruments: Recognition and Measurement'. See note 2.5 for further details.

At the date of authorisation of these Financial Statements, the following standards and interpretations, which have not been applied in these Financial Statements, were in issue but not yet effective:

- IFRS 9, 'Financial Instruments Classification and Measurement'. There is currently no mandatory effective date, however the IASB has tentatively proposed effective accounting periods commencing on or after 1 January 2018.
- Amendment to IAS 32 'Offsetting Financial Assets and Financial Liabilities'. This amendment is effective for accounting periods commencing on or after 1 January 2014.

At the date of approval of these Financial Statements, the following standards and interpretations, which have not been applied, were in issue but not yet effective and have not been applied by the Group:

 Amendments to IFRS 7 and IFRS 9 'Mandatory Effective Date and Transition Disclosures'. These amendments are effective for accounting periods commencing on or after 1 January 2015.

These standards and interpretations will be adopted when they become effective.

The Directors are currently assessing the impact of these standards and interpretations on the Financial Statements and anticipate that the adoption of the majority of these standards and interpretations in future periods will not have a material impact on the Financial Statements or results of the Company.

2 Summary of significant accounting policies (continued)

2.5 Consolidation

(a) Subsidiaries

All subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company has elected the early adoption of IFRS 10 "Consolidated Financial Statements" which relieves an entity that meets the definition of an investment entity of the obligation to produce a consolidated set of Financial Statements. The Company has been classified as an investment entity for the purpose of consolidation requirements.

The Company has one investment, a 100% controlling interest in UK Hold Co. UK Hold Co itself invests in holding companies (the SPVs) which then invest into the underlying investments. The Company has consolidated its holding in UK Hold Co for the purposes of these financial statements as UK Hold Co provides investment related services to the Company therefore UK Hold Co is viewed simply as an extension of the investment entity's investing activities. The Company does not meet all the defined criteria of an investment entity as the Company has only one investment, a 100% controlling interest in UK Hold Co. However management deem that the Company is nevertheless an investment entity as the remaining requirements have been met and through UK Hold Co, there is a diverse investment portfolio which will fulfil the criteria of having more than one investment.

UK Hold Co has chosen to early adopt the amendment to IFRS 10 "Consolidated Financial Statements" discussed above. UK Hold Co does not meet all the defined criteria of an investment entity as UK Hold Co is 100% owned by Foresight Solar Fund Limited. However management deem that UK Hold Co is nevertheless an investment entity as the remaining requirements have been met and the Company that holds 100% of the share capital has a number of investors. Therefore, as noted above, together the Company and UK Hold Co meet the requirements. The entity accounts for subsidiaries at fair value through profit or loss in accordance with IAS 39 "Financial Instruments: Recognition and Measurement". The financial assets at fair value through profit or loss carried in the Statement of Financial Position represents the Group's investments in the SPVs as described above. See note 16 for details on the investments held at fair value through profit or loss.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition costs of assets are capitalised on purchase of assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Proportion

Details of the subsidiary undertakings which the Company held as at 30 June 2014 are listed below:

Name	Direct or indirect	Country of incorporation	Principal activity	of shares and voting rights held
	•	•	, ,	
Foresight Solar (UK Hold Co) Limited	Direct	United Kingdom	Holding Company	100%
Wymeswold Solar Farm Limited ("Wymeswold Solar")	Indirect	United Kingdom	SPV	100%
Castle Eaton Solar Farm Limited ("Castle Eaton Solar")	Indirect	United Kingdom	SPV	100%
Pitsworthy Solar Farm Limited ("Pitsworthy Solar")	Indirect	United Kingdom	SPV	100%
Highfields Solar Farm Limited ("Highfields Solar")	Indirect	United Kingdom	SPV	100%
High Penn Solar Farm Limited ("High Penn Solar")	Indirect	United Kingdom	SPV	100%
	Foresight Solar (UK Hold Co) Limited Wymeswold Solar Farm Limited ("Wymeswold Solar") Castle Eaton Solar Farm Limited ("Castle Eaton Solar") Pitsworthy Solar Farm Limited ("Pitsworthy Solar") Highfields Solar Farm Limited ("Highfields Solar")	Foresight Solar (UK Hold Co) Limited Wymeswold Solar Farm Limited ("Wymeswold Solar") Castle Eaton Solar Farm Limited ("Castle Eaton Solar") Pitsworthy Solar Farm Limited ("Pitsworthy Solar") Highfields Solar Farm Limited ("Highfields Solar") Indirect Indirect	Name holding incorporation Foresight Solar (UK Hold Co) Limited Direct United Kingdom Wymeswold Solar Farm Limited ("Wymeswold Solar") Indirect United Kingdom Castle Eaton Solar Farm Limited ("Castle Eaton Solar") Indirect United Kingdom Pitsworthy Solar Farm Limited ("Pitsworthy Solar") Indirect United Kingdom Highfields Solar Farm Limited ("Highfields Solar") Indirect United Kingdom	Name holding incorporation Principal activity Foresight Solar (UK Hold Co) Limited Direct United Kingdom SPV Wymeswold Solar Farm Limited ("Wymeswold Solar") Indirect United Kingdom SPV Castle Eaton Solar Farm Limited ("Castle Eaton Solar") Indirect United Kingdom SPV Pitsworthy Solar Farm Limited ("Pitsworthy Solar") Indirect United Kingdom SPV Highfields Solar Farm Limited ("Highfields Solar") Indirect United Kingdom SPV

2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors, as a whole. For management purposes, the Group is organised into one main operating segment. All of the Group's income derives from the United Kingdom and Jersey. All of the Group's non-current assets are located in the United Kingdom.

2.7 Income

Income comprises interest income (bank interest and loan interest) and dividend income. Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Loan interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised on the date that the related investments are marked ex-dividend. Dividends receivable on equity shares where no ex-dividend date is quoted are brought into account when the Company's right to receive payment is established.

2 Summary of significant accounting policies (continued)

2.8 Expenses

Operating expenses are the Group's costs incurred in connection with the on-going management of the Company's investments and administrative costs. Operating expenses are accounted for on an accruals basis.

The Group's management and administration fees, finance costs and all other expenses are charged through the Consolidated Statement of Comprehensive Income.

Acquisition costs of assets are capitalised on purchase of assets.

Costs directly relating to the issue of Ordinary Shares are charged to the Group's special reserve.

2.9 Taxation

The Company is currently registered in Jersey. With effect from 1 January 2009, Jersey abolished the exempt company regime for existing companies. Therefore, the Company is taxed at 0% for which it pays an annual fee of £250.

UK Hold Co and the SPVs are UK registered companies and as such are subject to corporation tax at the small profits rate of 20%.

Current tax arising in jurisdictions other than Jersey is based on taxable profit for the period and is calculated using tax rates that have been enacted or substantially enacted.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated Statement of Comprehensive Income because it excludes items of income and expense that are taxable or deductible in other periods or that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the year-end date.

Deferred tax is the tax arising on differences on the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the near future.

The carrying amount of deferred tax assets is reviewed at each year end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the consolidated statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

2.10 Foreign currency translation

(a) Functional and presentational currency

The Directors consider the Group's functional currency to be Pounds Sterling ("GBP") as this is the currency in which the majority of the Group's assets and liabilities and significant transactions are denominated. The Directors have selected GBP as the Group's presentation currency.

(b) Transactions and balances

Transactions in currencies other than GBP are recorded at the rates of exchange prevailing on the dates of the transactions. At each year-end date, monetary assets and liabilities that are denominated in foreign currencies are revalued at the rates prevailing at the year-end date. Non-monetary assets and liabilities carried at fair value which are denominated in foreign currencies are revalued at the rates prevailing at the date when the fair value was determined. Gains and losses arising on revaluation are recognised in the Consolidated Statement of Comprehensive Income.

2.11 Financial assets

2.11.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss; and loans and receivables. The classification depends on the nature and purpose for which the financial assets and is determined at the time of initial recognition by Management.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise the investments made in the SPVs. Assets in this category are classified as current assets if they are expected to be settled within 12 months, otherwise they are classified as non-current.

(b) Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They comprise trade and other receivables and cash and cash equivalents.

2.11.2 Recognition and measurement

Purchases and sales of financial assets are recognised on the trade-date (the date on which the Group commits to purchase or sell the asset). Investments are initially recognised at cost, being the fair value of consideration given. It is the policy of the Investment Manager to value with reference to discounted cash flows immediately following acquisition. Investments treated as 'financial assets at fair value through profit or loss' are subsequently measured at fair value. Loans and receivables are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition, and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. The effect of discounting on these financial assets is not considered to be material. Financial assets (in whole or in part) are derecognised either:

- when the Group has transferred substantially all the risks and rewards of ownership; or
- when it has neither transferred nor retained substantially all the risks and rewards and when it no longer has control over the assets or a portion of the asset; or
- when the contractual right to receive cash flow has expired.

2 Summary of significant accounting policies (continued)

2.11.2 Recognition and measurement (continued)

Fair value is defined as the amount for which an asset could be exchange between knowledgeable willing parties in an arm's length transaction. The Directors base the fair value of the investments based on information received from the Investment Manager. The Investment Manager's assessment of fair value of investments is determined in accordance with IAS 39 and IFRS 13, using unlevered Discounted Cash Flow principles (unless a more appropriate methodology is applied).

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the Consolidated Statement of Comprehensive Income within 'other gains/(losses) - net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the Consolidated Statement of Comprehensive Income as part of other income when the Group's right to receive payments is established.

2.12 Financial liabilities

Financial liabilities consist of trade and other payables and bank loans. The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics. All financial liabilities are initially recognised at fair value net of transaction costs incurred. All purchases of financial liabilities are recorded on trade date, being the date on which the Group becomes party to the contractual requirements of the financial liability. Unless otherwise indicated the carrying amounts of the Group's financial liabilities approximate to their fair values.

The Group's financial liabilities consist of only financial liabilities measure at amortised cost.

2 12 1 Financial

These include trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

2 1 2 2

A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the Consolidated Statement of Comprehensive Income.

2.12.3 Bank

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the Consolidated Statement of Comprehensive Income using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

2.13 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.14 Impairment of financial assets

Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'Loss Event') and that Loss Event (or Events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the Statement of Comprehensive Income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

2.17 Share capital

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

2.18 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's Financial Statements in the period in which the dividends are approved by the Company's shareholders and are paid from the revenue reserve.

3 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision only affects that year, or in the year of the revision and future years if the revision affects both current and future years. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

3.1 Fair value of investments

The fair value of the investments is determined by using discounted cash flow valuation techniques. The Directors base the fair value of the investments on information received from the Investment Manager. The Investment Manager's assessment of fair value of investments is determined in accordance with IAS 39 and IFRS 13, using Discounted Cash Flow principles. As described more fully on pages 23 and 24, valuations such as these entail assumptions about solar irradiance, power prices, technological performance, discount rate, operating costs and inflation over a 25 year period.

3.2 Income and deferred tax

The Group is subject to income and capital gains taxes in the United Kingdom through the UK Hold Co Significant judgement is required in determining the total provision for income and deferred taxes. There are many transactions and calculations for which the ultimate tax determination and timing of payment is uncertain during the ordinary course of business. The Group has arranged its affairs with the intention of maximising tax efficiency and has assumed these arrangements will be effective. For this reason, no tax charge has been included in the Discounted Cash Flow valuation referred to in 3.1 above. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded such differences will impact the income and deferred tax provisions in the period in which the determination is made.

3.3 Recoverability of VAT

Regulations regarding VAT are subject to frequent changes. These changes can result in differences in opinion regarding the legal interpretation of tax regulations both between government bodies, and between government bodies and companies. Tax may be subject to inspection by administrative bodies authorised to impose high penalties and fines, and any additional taxation liabilities calculated as a result must be paid together with high interest. Tax settlements may become subject to inspection by tax authorities within a period of five years. Accordingly, the amounts shown in the Financial Statements may change at a later date as a result of the final decision of the tax authorities.

4 Interest revenue

	2013 to 30 June 2014 £
Loan interest receivable	1,857,618
Fixed deposit interest receivable	263,700
Bank interest receivable	4,284
	2,125,602

Period 13 August

5 Finance costs

Period 13 August 2013 to 30 June 2014

£

Credit facility agreement arrangement fees (see note 21)
Interest on credit facility drawn down (see note 21)

2,057,224
6,881
2,064,105

6 Management fees

The Manager of the Group, Foresight Group CI Limited, receives an annual fee of 1% of the Net Asset Value ("NAV") of the Group. This is payable quarterly in arrears and is calculated based on the published quarterly NAV. For the period, the Manager was entitled to a management fee of £1,038,463 of which £389,541 was outstanding as at 30 June 2014.

7 Administration and accountancy fees

Under an Administration Agreement, the Administrator of the Company, JTC (Jersey) Limited, is entitled to receive a minimum annual administration fee of £80,000 payable quarterly in arrears. This minimum fee also includes accountancy fees. For the period 13 August 2013 to 30 June 2014, the Administrator was entitled to total administration and accountancy fees of £110,373 of which £35,999 was outstanding as at 30 June 2014.

8 Launch costs

Launch costs	Period 13 August 2013 to 30 June 2014 £
Administration fees Legal and professional fees Other fees	23,257 440,342 377
Listing fees Excess launch costs paid by Foresight Group LLP (see explanation below)	88,712 (213,644)
	339,044

In line with the Prospectus, the total launch costs to be borne by the Shareholders of the Company was capped at 2% of the launch proceeds of £150,000,000 (i.e. £3,000,000) with any excess launch costs being reimbursed to the Company from Foresight Group LLP. Of this £3,000,000, £2,660,956 was attributed to issue costs and therefore offset against the share proceeds in the stated capital reserve.

9 Directors' fees

Remuneration of the Directors of the Group is currently paid at a rate of £125,000 per annum. All of the Directors are Non-Executive Directors.

Remuneration of Directors due for the period 13 August 2013 to 30 June 2014 were as follows:

	Company	UK Hold Co	Group
	£	£	£
Peter Dicks	26,219	-	26,219
Alexander Ohlsson	48,069		48,069
Christopher Ambler	34,959		34,959
	109,247		109,247

10 Other expenses

Other expenses	
•	Period 13 August
	2013 to 30 June
	2014
	£
Bank charges	479
Annual fees	72,019
Legal and professional fees	155,094
	227,592

Included in legal and professional fees, are audit fees of £32,190 payable to KPMG LLP for the period. As at the period-end, £32,190 was outstanding.

11 Taxation

The Company is currently registered in Jersey and is subject to the Jersey standard tax rate of 0% for which it pays an annual fee of £250.

Tax arises in the United Kingdom in respect of UK Hold Co and the SPVs for which they are subject to the small profits tax rate of 20%. For the period 13 August 2013 to 30 June 2014 this taxation amounted to £nil.

The components of income tax expense for the period 13 August 2013 to 30 June 2014 are as follows:

	Period 13 August 2013 to 30 June 2014
Consolidated statement of comprehensive income	£
Current tax: Current income tax charge	-
Deferred tax: Deferred tax charge	
Income tax expense reported in the statement of comprehensive income	<u></u>

Taxation (continued)

Taxation (continued)		
		Period 13 August 2013 to 30 June 2014
		£
Reconciliation of tax expense and the loss for the year multiplied by Jersey's domestic tax rate for 2014:		
Profit for the year before tax from continuing operations		8,087,933
At Jersey's statutory income tax rate of 0%		
At the effective income tax rate of 0%		<u> </u>
Income tax recognised in the statement of comprehensive income		<u> </u>
Deferred taxation As at 30 June 2014 the Fund did not recognise a deferred taxation asset or liability.		
Deferred taxation	Consolidated statement of financial position	Consolidated statement of comprehensive income
	30 June 2014	13 August 2013 to 30 June 2014
	£	£
Deferred tax provision/(liability) Deferred tax provision		

12

Earnings per Ordinary share - basic and diluted

The basic and diluted profits per Ordinary Share for the Company are based on the profit for the period of £8,087,933 and on 150,000,000 ordinary shares. The total number of Ordinary Shares in issue is equal to the weighted average number of shares in issue during the period.

13 Trade and other receivables

		30 June 2014
		£
	Accrued income	986,107
	Prepaid expenses	7,245
	Advances for future investments	276,077
	Other receivables	29,671
		1,299,100
14	Cash and cash equivalents	
		30 June 2014
		£
	Cash at bank	3,277,734
	Escrow accounts	29,116,154
		32,393,888
		<u> </u>
15	Trade and other payables	20 June 2014
		30 June 2014 £
		-
	Accrued expenses	960,383

Foresight Solar Fund Limited

Notes to the Interim Consolidated Financial Statements (continued) For the period 13 August 2013 to 30 June 2014

16 Investments held at fair value through profit or loss

	Wymeswold Solar	Castle Eaton Solar	Pitsworthy Solar	Highfields Solar	High Penn Solar	Total
	ч	ч	ч	ч	ч	3
Opening cost			ı	•		
Additions - equity	12,804,828	2,039,214	1,834,895	1,265,913	1,051,596	18,996,446
Additions - shareholder loans	32,195,172	20,512,830	17,474,644	14,167,639	11,596,486	95,946,771
Closing cost	45,000,000	22,552,044	19,309,539	15,433,552	12,648,082	114,943,217
Unrealised gain	3,567,770	1,465,805	2,760,198	1,257,548	799,834	9,851,155
Fair value	48,567,770	24,017,849	22,069,737	16,691,100	13,447,916	124,794,372

17 Fair value of assets and liabilities

Fair value hierarchy

IFRS 13 "Fair Value Measurement" requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability. The following table shows investment properties recognised at fair value, categorised between those whose fair value is based on:

- (a) Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- (b) Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- (c) Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

All investments held at fair value through profit or loss are classified as level 3 within the fair value hierarchy.

Valuation process for Level 3 valuations

Valuations are the responsibility of the Board of Directors.

The Investment manager's assessment of fair value of investments is determined in accordance with IAS 39 and IFRS 13, using Discounted Cash Flow principles

The current portfolio consists of non-market traded investments and valuations are based on a discounted cash flow methodology.

Sensitivity analysis to significant changes in unobservable inputs within Level hierarchy

The Groups' investments are valued with reference to the discounted value of future cash flows. The Directors consider the valuation methodology used, including the key assumptions and discount rate applied, to be prudent. The Board review, at least annually, the valuation inputs and where possible, make use of observable market data to ensure valuations reflect the fair value of the investments.

A broad range of assumptions are used in the valuation models. These assumptions are based on long-term forecasts and are not affected by short term fluctuations in inputs, be it economic or technical.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 30 June 2014 are as shown below.

The assumption sensitivities are illustrative. The actual change in these assumptions could be more or less than the amount shown.

The DCF valuations of the solar assets form the majority of the NAV calculation. The Directors consider the following assumptions to be significant inputs to the DCF calculation.

Discount rate

The weighted average discount rate used is 8.0%. The Directors do not expect to see a significant change in the discount rates applied within the Solar Infrastructure sector. Therefore a variance of +/-0.5% is considered reasonable given the current risk profile of the fund. A variable of 1.0% is shown for information purposes.

	-1.0%	-0.5%	Base (8.0%)	+0.5%	+1.0%
Directors' valuation	160.65	158.00	155.43	152.95	150.54
NAV per share (£)	1.071	1.053	1.036	1.020	1.004

Energy Yield

Base case assumptions are based on P50 forecasts (50 per cent probability of exceedance) produced by market experts. P10 (10 per cent probability of exceedance) and P90 (90 per cent probability of exceedance) variances are given to offer comparison across the industry. Energy yield is a function of solar irradiance and technical performance.

	P10 (10 year)	Base	P90 (10 year)
Directors' valuation	158.97	155.43	151.71
NAV per share (£)	1.060	1.036	1.011

Power price

DCF models assume power prices that are consistent with the Power Purchase Agreements ("PPA") currently in place. The average PPA period remaining as at 30 June is a little over three years. At the PPA end date, the model reverts to the market price. The base case power pricing is based on the current forecast real price reference curve provided by external market experts. A discount is applied to these levels. The revenue generated is a mix of revenue from ROCs and revenue from external customers. In the illustration below, the ROCs element of the revenue has assumed to be fixed and the sensitivities shown are the impact of the changes in the external price component only. A variable of 20% is considered reasonable.

	+20%	+10%	Base	-10%	-20%
Directors' valuation	168.86	162.39	155.43	148.09	140.76
NAV per share (£)	1.126	1.083	1.036	0.987	0.938

17 Fair value of assets and liabilities (continued)

Fair value (continued)

Inflation

A variable of 1.0% is considered reasonable given historic fluctuations. We assume inflation will remain constant at 2.5%.

	-1.0%	-0.5%	Base (2.5%)	+0.5%	+1.0%
Directors' valuation	156.50	155.97	155.43	154.86	154.30
NAV per share (£)	1.043	1.040	1.036	1.032	1.029

Operating costs (project company level)

Operating costs include operating and maintenance (O&M), insurance and lease costs. Base case costs are based on current commercial agreements. We would not expect these costs to fluctuate widely over the life of the assets and are comfortable that the base case is prudent. A variance of +/-5.0% is considered reasonable, a variable of 10.0% is shown for information purposes.

	-10%	-5%	Base	+5%	+10%
Directors' valuation	156.50	155.97	155.43	154.86	154.30
NAV per share (£)	1.043	1.040	1.036	1.032	1.029

Level 3 reconciliation

The following table shows a reconciliation of all movements in the fair value of investment properties categorised within Level 3 between the beginning and the end of the reporting period:

and the cita of the reporting period.	
	Total
	£
Balance at 13 August 2013	-
Total gains and (losses) in Consolidated Statement of Comprehensive Income:	
- realised	-
- unrealised from fair value adjustments	9,851,155
Purchases at cost	114,943,217
Sales – proceeds	
Balance at 30 June 2014	124,794,372

Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table analyses within the fair value hierarchy the Group's assets and liabilities not measured at fair value at 30 June 2014 but for which fair value is disclosed:

	Level 1	Level 2	Level 3	Total
	£	£	£	£
Assets				
Trade and other receivables	1,299,100	-	-	1,299,100
Cash and cash equivalents	32,393,888	<u> </u>	<u> </u>	32,393,888
Total assets	33,692,988	<u> </u>	<u> </u>	33,692,988
Liabilities				
Trade and other payables	960,383	-	-	960,383
Long-term borrowings	2,100,000	-	-	2,100,000
Net assets attributable to Ordinary Shareholders	155,426,977	<u> </u>	<u> </u>	155,426,977
Total Liabilities	158,487,360	-		158,487,360

18 Share capital and stated capital

The share capital of the Company consists solely of Ordinary Shares of nil par value. At any general meeting of the Company each Shareholder will have, on a show of hands, one vote and on a poll one vote in respect of each Ordinary Share held. Stated capital is the surplus of net proceeds received from the issue of new Ordinary Shares (net of issue costs capitalised) over the par value of the issued Ordinary Shares.

Ordinary Shares

	30 June 2014 Shares	30 June 2014 £
Opening balance	<u>-</u>	-
Issued during the period Redeemed during the period	150,000,000 -	
Closing balance	150,000,000	
Stated capital		30 June 2014 £
Opening halance		ž.
Opening balance Proceeds from share issue		150,000,000
less: issue costs capitalised		(2,660,956)
Closing balance		147,339,044

19 NAV per Ordinary Share

The Net Asset Value ("NAV") per redeemable Ordinary Share for the Company is based on the Net Asset Value at the reporting date of £155,426,977 and on 150,000,000 redeemable Ordinary Shares, being the number of Ordinary Shares in issue at the end of the period.

20 Financial instruments and risk profile

The Group holds cash and liquid resources as well as having receivables and payables that arise directly from its operations. The Group's investment activities expose it to various types of risk associated with solar power. The main risks arising from the Group's financial instruments are market risk, liquidity risk, credit risk and interest rate risk. The Directors regularly review and agree policies for managing each of these risks and these are summarised below.

20.1 Market risk

(a) Foreign exchange risk

Foreign currency risk, as defined in IFRS 7, arises as the values of recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. As the Group operates only within the United Kingdom and Jersey, the Directors have concluded that the Group is not exposed to foreign exchange risk.

(b) Price risk

Price risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices.

20 Financial instruments and risk profile (continued)

20.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due as a result of the maturity of assets and liabilities not matching. An unmatched position potentially enhances profitability, but can also increase the risk of losses. Liquidity could be impaired by an inability to access secured and/or unsecured sources of financing to meet financial commitments. The Board monitors the Group's liquidity requirements to ensure there is sufficient cash to meet the Group's operating needs.

Contractual Maturity Analysis (including estimated interest payments)

	Carrying amount	Contractual Total	Less than 6 months	6 to 12 months	Greater than 12 months
	£	£	£	£	£
Financial Assets					
Investments	124,794,372	124,794,372	-	-	124,794,372
Trade and other receivables	1,299,100	1,299,100	1,299,100	-	-
Cash and cash equivalents	32,393,888	32,393,888	32,393,888		
Total financial assets	158,487,360	158,487,360	33,692,988	-	124,794,372
Financial Liabilities					
Long-term borrowings	(2,100,000)	2,288,370	31,395	31,395	2,225,580
Trade and other payables	(960,383)	(960,383)	(960,383)		
Total financial liabilities	(3,060,383)	1,327,987	(928,988)	31,395	2,225,580
Net position	155,426,977	159,815,347	32,764,000	31,395	127,019,952

20.3 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Fund places cash with authorised deposit takers and is therefore potentially at risk from the failure of such institutions.

In respect of credit risk arising from other financial assets and liabilities, which mainly comprise of cash and cash equivalents, exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amounts of these instruments. In order to mitigate such risks, cash is maintained with major international financial institutions. During the period and at the reporting date, the Group maintained relationships with the following financial institutions:

	Credit Rating	30 June 2014 £
Cash in hand:		
Royal Bank of Scotland International Limited	P-2	199,829
Royal Bank of Scotland Plc	P-2	158,334
Lloyds Bank International Limited	P-1	2,595,992
SG Hambros Bank (Channel Islands) Limited (Société Générale S.A.)	P-1	6,913
Santander Global Banking and Markets	P-2	158,333
Royal Bank of Canada	P-1	158,333
Total cash in hand		3,277,734
Cash held in Escrow:		
Lloyds Bank Plc	P-1	4,878,815
Royal Bank of Scotland Plc	P-2	10,000,000
National Westminster Bank Plc	P-2	14,237,339
Total cash held in Escrow		29,116,154
Total Group cash and cash equivalents		32,393,888
Total Group cash balances held by banks		32,393,888

20 Financial instruments and risk profile (continued)

20.3 Credit risk (continued)

Trade and other receivables comprise part of the financial assets and the Board has determined the maximum Credit Risk exposure is the carrying amount in the Statement of Financial Position.

The above amounts are deemed to be of a sufficiently credit quality, are neither past due nor impaired and are deemed to be fully recoverable.

20.4 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term borrowing with a floating interest rate element (the LIBOR element). See note 21 for further details of the Group's long-term borrowings. The fair value of the Group's investments may also be affected by interest rate movements. When making investments of an equity and debt nature, consideration is given during the structuring process to the potential implications of interest rate risk and the resulting investment is structured accordingly. The maximum exposure to interest rate risk for the Group was £130,440,659 at 30 June 2014.

	Total portfolio	Weighted average interest rate	Weighted average time for which rate is fixed
	30 June 2014	30 June 2014	30 June 2014
	£	%	Days
Shareholder Loans - exposed to fixed interest risk	95,946,771	9.00	9,131
Cash	32,393,888	0.36	-
Long-term borrowings	2,100,000	2.99	31
Total exposed to interest rate risk	130,440,659		

20.5 Other risks

Political and economic risk

The value of Ordinary Shares may be affected by uncertainties such as political or diplomatic developments, social and religious instability, changes in government policies, taxation or interest rates, currency repatriation and other political and economic developments in law or regulations and, in particular, the risk of expropriation, nationalisation, and confiscation of assets and changes in legislation relating to the level of foreign ownership.

Governmental authorities at all levels are actively involved in the promulgation and enforcement of regulations relating to taxation, land use and zoning and planning restrictions, environmental protection, safety and other matters. The introduction and enforcement of such regulations could have the effect of increasing the expense and lowering the income or rate of return from, as well as adversely affecting the value of, the Group's assets.

21 Long-term borrowings

On 15 May 2014, the Group entered into a £100,000,000 Revolving Credit Facility Agreement (the "Facility Agreement") with The Royal Bank of Scotland Plc as agent and Santander Global Banking and Markets, Royal Bank of Canada and The Royal Bank of Scotland Plc as arrangers who have agreed a Facility Commitment of £33,333,333, £33,333,333 and £33,333,334 respectively.

The rate of interest for each interest period on the amount of the Facility Commitment drawn down (the "Loan") from each arranger is the percentage rate per annum which is the aggregate of the applicable: (a) Margin; and (b) LIBOR: The Margin applied is dependent on the number of months since the first drawdown and the Loan amount during the Interest Period. For the period ended 30 June 2014 the applicable rates were 2.50% and 0.49% respectively. Accrued interest on each Loan is paid on the last of each Interest Period, if the Interest Period is longer than six months, interest is payable on the dates falling at six monthly intervals after the first day of the Interest Period.

As at 30 June 2014, £2,100,000 of the Facility Agreement had been drawn down (£700,000 from Santander Global Banking and Markets; £700,000 from Royal Bank of Canada and £700,000 from The Royal Bank of Scotland Plc).

The interest payable on the drawn down Facility Agreement as at 30 June 2014 amounted to £6,881 of which £1,381 was outstanding at the period-end date.

As at 30 June 2014, arrangement fees relating to the Facility Agreement were expensed, of which £296,824 were outstanding at the period-end date.

22 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares (up to its authorised number of shares) or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

The gearing ratio as at 30 June 2014 was as follows:

	30 June 2014 £
Total borrowings	(2,100,000)
Less: cash and cash equivalents	32,393,888
Net cash	30,293,888
Net assets attributable to Ordinary Shareholders	155,426,977
Total capital	155,426,977
Gearing ratio	

23 Related party disclosures

For the purposes of these financial statements, a related party is an entity or entities who are able to exercise significant influence directly or indirectly on the Group's operations. Transactions between the Company and its subsidiary, which is a related party, have been eliminated on consolidation and are not disclosed in this note, however they are presented in the notes to the accounts which present Company only balances as well as those of the Group.

All the SPVs of the Group are cash generating solar farms with all revenues and expenses being related party transactions. During the period, the Group was entitled to loan interest on the shareholder loans, from the SPVs, totalling £1,857,618 of which £722,407 was outstanding at the period-end.

No Director has an interest in any contract to which the Company is a party.

24 Transactions with the manager

Foresight Group CI Limited, acting as investment manager to the Group in respect of its investments, earned fees of £1,038,463 during the period, of which £389,541 was outstanding at the period-end.

25 Commitments and contingent liabilities

As at 30 June 2014, the Group did not have any commitments or contingent liabilities.

26 Controlling party

In the opinion of the Directors, there is no controlling party as no one party has the ability to direct the financial and operating policies of the Group with a view to gaining economic benefits from its direction.

27 Post balance sheet events

On 20 August 2015, the Company declared a dividend of 3 pence per Ordinary Share.

Corporate Information

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